The

Robert E. Gross
Collection

A Memorial to the Founder
of the
Lockheed Aircraft
Corporation

Business Administration Library
University of California
Los Angeles

THOUGHTS

ON THE

MECHANISM

OF

SOCIETIES.

By the MARQUIS DE CASAUX,

FELLOW OF THE ROYAL SOCIETY.

TRANSLATED FROM THE FRENCH

(Under the Inspection of the Author)

By PARKYNS MAC MAHON.

If Men would be content to graft upon Nature, and assist her operations, what mighty effects might we expect!

SPECTATOR.

LONDON,

Printed by T. Spilsbury, Snowhill.

Sold by G. G. J. and J. ROBINSON, in *Pater-noster Row*; W. RICHARDSON, under the *Royal Exchange*; and J. DEBRETT, *Piccadilly*.

M,DCC,LXXXVI.

PREFACE

BY THE

EDITOR.

IT is not a *treatiſe* that the Author announces; it is nothing more than *Thoughts on the Mechaniſm of Societies*. Such a title does not confine a Writer to a regular plan; it ſaves him even the riſk of preparing his Readers for a chain of ideas which cannot eſcape their ſagacity if it exiſt, and on which they cannot be deceived if it do not. But in a picture conſecrated to the world at large as well as to his own Country, to the People as well as to their Rulers, it was neceſſary that the moſt ſtriking object, the object to which their firſt attention was called, ſhould be of ſo general an intereſt, as to entice them progreſſively to an inveſtigation of all thoſe details which deſerve moſt to be ſcrutiniſed, and of which the different relations are either little known, or greatly miſtaken.

The object which at preſent fixes the attention of all the States in *Europe*, (all of them either debtors or creditors), is the *National Debt of England*, and the meaſures which will be taken on that ſubject by the Aſſembly the moſt clear-ſighted of any in the world to every thing that concerns the intereſts of the people, the moſt jealous of its rights, and the moſt free, at leaſt in its debates. It is by conſidering that formidable debt, and its influence on the wealth of the State and the eaſe of the People, that the Author dares to begin. But before he proceeds to unfold the mechaniſm of the national debt, the reſult of which developement preſents ſome ideas too oppoſite to the received opinion, he endeavours by degrees to familiariſe his Readers with his own, by *ſome general reflexions on the preſent ſituation of England*: theſe reflexions leave him no room to doubt, that *England* was in 1779, *notwithſtanding the national debt*, richer than ſhe was at the beginning of this century;—richer, either in a fourfold, or in a double proportion, as the Reader is diſpoſed to adopt the one or the other rate of population: whence it appears that the Author, in reſpect to his plan, does not affix any importance to the difference of opinions on this article.

A more

A more particular view of the ſubject furniſhes him with freſh reaſons, which ſeem to him ſufficient to quiet the mind of the moſt ſuſpicious creditor. It is, indeed, only by means of the *ſavings* made, or daily to be made, upon eight pence (the exact proportion each individual is entitled to in the general revenue), that it has been poſſible to reach the ſummit of opulence, and that it is poſſible to be fixed there: but the Author ſeeks for ſuch *ſavings* in agriculture and induſtry, as cannot be miſunderſtood; he obſerves that the ſavings made in agriculture, have proved ſufficient, in the courſe of a century, not only to diſcharge all the public burdens, but even to double the landed revenue; and he then enters into a detail of ſeveral objects, (all eaſy to be aſcertained,) which ſeem to demonſtrate a ſimilar progreſs in induſtry.

Here our Author, beginning to feel himſelf on ground ſufficiently firm, confeſſes that he ſees nothing in the preſent ſituation of *England*, tending to juſtify the idea of a national bankruptcy, although the public news-papers often hint at the convenience of ſuch a meaſure. The author even ſo far forgets himſelf, as to examine *ſeriouſly*, whether it would be profitable or unprofitable to effect the ſo much recommended *reimburſement*,

even on the ſuppoſition that the 238 *millions which have been borrowed, and have diſappeared, could find their way back to the Exchequer.*

After having preſented the queſtion under ſeveral points of view, our Author heſitates not to declare for the negative, and then endeavours to prove that a previous *theſauriſation* which might have enabled the nation to go through the laſt war without laying any additional tax, would have done more harm than the new taxes can poſſibly have done.

The Author, become bolder becauſe he meets with no contradiction when he is alone, (and indeed he is alone very often) undertakes to reconcile mankind to the taxes by means of a firſt decompoſition of the impoſt; he gives up, it is true, one part of it as burdenſome, (it is truly to be lamented that this part cannot be diſpenſed with; luckily it is the leaſt); but he contends boldly for the other part, as a very precious reſource for that portion of the people which beſt deſerves to engage the cares of Government.

Notwithſtanding all the precautions taken by the Author not to frighten his readers, there remains ſuch a leap for him to clear, that he is ſeen, as it were on his knees, begging he may be permitted

mitted to try twenty times, if he cannot clear it in ten: in other words, he earneſtly wiſhes that his work may not receive its final judgement before it has been peruſed to the end; and in fact, it is not impoſſible but that a detached propoſition, the abſurdity of which is ſtriking when conſidered ſingly, may be found concluſive when ſucceſſively brought near to all thoſe that are to follow it.

An Editor owes more to the Public, than to any work, even ſuch as he could wiſh to bring into ſome trifling repute: I think then, it is my duty *(in foro conſcientiæ)* to declare, that it will not be till the Reader has peruſed fifty pages or more, that he will ſuſpect the reaſon why the Writer has not announced in the very firſt, ſome ſingular opinion, which he meant inſidiouſly to eſtabliſh as it were ſtep by ſtep in his pamphlet; but, at length, we begin to have ſome notion of what we are to expect from a man who has been trying to wheedle us into a belief, that *taxes are a trifling evil*;—*that* theſauriſation *would be a very great one*;—*that a reimburſement is at beſt uſeleſs*; —and who afterwards modeſtly intimates, that ſome ſingularities may perhaps eſcape him *in the ſequel*; as if it were poſſible to imagine any thing more ſingular than the three propoſitions I have juſt quoted.

Yet too much ſeverity ſhould not be uſed. Has the Reader been but amuſed with the part of the picture hitherto expoſed to his view? Let him humour the Author in his little conceits. Who would exhibit for public entertainment, if he were not at liberty to draw up the curtain in his own way; if he had not a right to diſplay, at every ſhifting of the ſcene, that part only of his curioſities upon which he meant for that inſtant to fix the eyes of the ſpectator?

But if the Reader, in ſpite of the different poſitions into which he has been attracted, has not obſerved the leaſt alteration in the compaſs; if he has not been moved by the arguments with which he has been lured before he came to that part of the work—let him throw the piece into the fire; for the Author, of whom I do not pretend to imitate the circumſpection, or adopt the fears, or juſtify the temerity, or ſhare in the guilt, aims at nothing leſs than to induce *all Europe* (all *Europe!*) to inveſtigate,

1*ſt*,

Whether it could poſſibly coſt *England* more than 5 millions ſterling, *(found once for all)* to ſecure *for ever*, in the moſt ſolid manner, the payment of the intereſt on a debt of 238 millions,

millions, that intereſt rated at 9 millions, of the ſame currency?

2dly,

Whether there be not, (without its being ſuſpected), in the ſyſtem of finance in *England*, ſome of thoſe imperfections ſo well remarked, ſo fully, ſo bitterly criticiſed in that of *France*; and whether a national reimburſement be not the eaſieſt of all the ſports a Miniſter of finance can think of, to amuſe ſociety without ſerving it?

3dly,

Whether the poſſibility of a balance of trade, *always favourable*, be not as doubtful as the neceſſity of a national bankruptcy, and the advantage of a national reimburſement?

4thly,

Whether an equilibrium in all things (and every where), be not indiſpenſable; and whether, to maintain or reſtore it, any great effort of imagination be required on the part of thoſe who fancy they hold the balance?

5thly,

Whether the difference of prices be ſomething or nothing; and whether more has been wanted

by

by the *French* than 66 millions *Tournois (found once for all)*, to ſecure *for ever*, the intereſt at 5 *per cent.* on a national loan of 1,500 millions *Tournois?*

6thly,

Whether the monſter of a competition (in point of trade) ſuppoſed unconquerable on account of the low prices with which it ſhould be armed, be not as fantaſtical as that of a balance always favourable?

7thly,

Whether the moſt juſtifiable premium for exportation be any thing more than one piece of injuſtice, become neceſſary to counterbalance a great many others?

8thly,

Whether it do not reſult from the ever infallible and merely mechanical reſtoration of an equilibrium in all the prices, that the taxes are in themſelves completely innocent;—whether there be more than one kind of taxation, which increaſes only by the exact amount of the tax, the whole maſs of prices;—whether the effect of taxation be not trebled by all other impoſts;—whether the moſt pernicious of them, (after the

poll-

poll-tax), be not the tax on luxury;—and whether from the inſtant that all kinds of taxes, either judiciouſly or injudiciouſly contrived, have re-acted on every thing, the burthen of the national debt is not literally *null* in all countries?

9*thly*,

Whether, *after monopoly*, credit be not that effect of wealth which increaſes moſt the price of every production, both of agriculture and induſtry?

10*thly*,

Whether a certain country, where ſmuggling has been prohibited under pain of the galleys, be not indebted to ſmuggling itſelf for one fifth of the products of her agriculture, which the merchant and trader turn to their advantage with as little ſcruple, as if they had not petitioned for the deteſtable law againſt the ſmuggler?

11*thly*,

Whether the abſurdity of the general opinion, on the moſt efficacious means of eſtabliſhing a profitable competition, in point of trade, be not clearly evinced, by the account of a ſtrange revolution in *France*—a revolution, as indubitable as the two wars in 1755 and 1779?

12*thly*,

12*thly*,

Whether the impoſſibility of the two ſuppoſed balances, conſtantly at the diſpoſal of *England* and *France*, be not proved, by the very facts adduced in both countries to eſtabliſh the exiſtence of thoſe two monſters?—Whether that impoſſibility be not demonſtrated by other facts as little equivocal; and whether it be not the intereſt of *England* and *France* to renounce the Idol, and ſolemnly abjure both its works and its pomps?

13*thly*,

Whether imports and exports be not a mere ſport, as innocent as the game of tennis? A ſport, nevertheleſs, which all Governments might turn to great profit, all Subjects to great advantage, and all States to an increaſe of power and wealth.

14*thly*,

Whether the generality of exports from *England*, at different periods, conſidered with regard to her foreign correſpondence, do not demonſtrate a kind of electricity, unthought of hitherto, though not unworthy of amuſing the greateſt politicians at their leiſure moments?

15*thly*,

15*thly*,

Whether the trifling jeſt of luxury be not equally as innocent as the diverſion of exporting and importing; and how much the moſt faſtuous, the moſt profuſe, the moſt ſenſual of all monarchs, conſumes, above the moſt avaricious of all his ſubjects?

16*thly*,

How much (not counting ſhillings and pence) *England* has loſt, when her right-arm, as her colonies were called, was lopped off; and how much (not counting ſhillings and pence) *Europe* might loſe by loſing her ſovereignty over both the *Americas?*

17*thly*,

Whether all that had appeared to the Author, as founded in reaſon and equity, do not finally prove (in ſpite of the general conſpiracy of all Nations and all Miniſters) to be ſtrictly conformable to the moſt ſtubborn facts;--and whether it do not reſult from that maſs of facts and reaſons, that the Author's aſſertion, the moſt intereſting to mankind, (that is, to all Princes and their People) is not of the moſt irrefragable truth, and a truth the moſt eaſily brought within the reach of all the parts intereſted therein?

I, though

I, though merely Editor, ſhall venture ſtill further;—I ſhall ſuppoſe the reſult of this combination of facts and reaſons to be, that the means hitherto deviſed as the moſt proper to alleviate the burdens of the people, were the beſt deviſed to oppreſs them: What matters it to the people, provided they are to be oppreſſed no longer? What is the time paſt, but the baſeleſs fabric of a viſion?

I ſhall likewiſe ſuppoſe, that from thoſe facts and reaſons it ſhould reſult alſo, that never was a decreaſe in the Prince's revenue more effectually ſecured, than by the contrivances deviſed to increaſe it: What is it to the Prince, provided it be no longer poſſible to miſtake the true means of enriching him?—Is it not the time to come, that ſhould, above all, engroſs the attention of a Great Prince?

I ſhall again ſuppoſe, as another reſult, that it has been a miſtaken notion, to imagine that the revenue of the People muſt be leſſened, in order to increaſe that of the Prince:—What is that to the Prince—what is it to the People—provided both be now convinced, that it is not poſſible to enrich the one, either really or nominally, without enriching the other in the ſame manner, and in the ſame proportion?

I ſhall

I ſhall further ſuppoſe, that it ſhould evidently reſult alſo, that in the Adminiſtration of the finances of any country, there is not, there has not been a ſingle principle, nay, not a ſingle idea worthy of the name: What is this to the Miniſters who now hold that department?—Can they command what is paſt? And is it not the redreſſing of abuſes, when diſcovered, that conſtitutes the true glory of a Miniſtry?

To crown the whole, I ſhall even ſuppoſe, that thence alſo ſhould reſult, to a very inſignificant individual of *America*, a little ſprig of that *European* ſhrub called Bay-tree:—What would that ſignify to all the Miniſters, all the People, and all the Princes in *Europe?*—Will *America* conſume leſs *European* goods, or will ſhe produce leſs gold and ſilver, for having produced an idea?

ERRATA.

Page 149, laſt line, for 1581, read 1551.
158, l. 3. for *extravagance*, read *examination*.
194, l. 24, for 20 *millions*, read 27 *millions*.
198, l. 10, for 46*s*. read 46*s*. 8*d*.
308, l. 13, for *will content*, read *will* NOT *content*.

CONTENTS.

Page

THOUGHTS on the Mechaniſm of Societies. 1

A general View of the preſent State of Great Britain. 3

A more particular View of the ſame Subject. 12

Clear Savings of the Manufactories, Trade, and other Branches of Induſtry. 17

Thoughts on Impoſt and Reimburſements. The Accumulation of public Treaſure conſidered as the Means of preventing Taxation. 27

On the grievous, but neceſſary Part of the Impoſt. 36

Of the Part of the Impoſt which is more uſeful than grievous. 41

Objections of another Kind againſt paying off the national Debt. 51

In what Manner the Intereſt of the national Debt will be probably paid off. 59

Reflexions on the two foregoing Articles. 76

A Thought ſubſtituted to that of a Reimburſement. 83

Page

General Balance of Trade in England. 93

Reflexions on ſome private Balances of England, *both of the favourable and unfavourable Kind.* 111

Balance between England *and* Holland. 116

——— *between* England *and* France. 123

Further Reaſons why all Ideas of a favourable Balance different from that which I have ſuppoſed ſhould be rejected. 126

Equilibrium neceſſary in all Things. Of the ſureſt Means of eſtabliſhing it. 130

Various Cauſes of the Alterations in the Prices. 137

On the Influences of the national Prices on the Sales in foreign Markets. 151

A neceſſary Principle of Trade conſidered both as direct and in competition. 159

Reflexion on a Letter from Philadelphia *inſerted in the* Engliſh *News-papers.* 170

Under what Point of View Premiums and other Encouragements of Exportation may be conſidered. 182

On the Influence of the various Kinds of Taxation upon national Prices. 188

On the Object of all Miniſters of Finance in laying Taxes. 192

Effects of a general Poll-tax. 193

Effects of a Land-tax. 196

Reflexions

	Page
Reflexions on the foregoing Syſtem.	203
Effects of an Impoſt excluſively laid on Luxury.	208
Effects of a mercileſs Tax upon all Articles of the moſt general Conſumption.	218
Effects of compound Taxation.	223
Some Doubts on the ſuppoſed Impoſſibility of laying all Taxes on Conſumption.	231
Recapitulation of the foregoing Thoughts on Taxes, and their Effects.	242
Further Conſiderations on the Neceſſity of a Correſpondence between the Prices of Agriculture and thoſe of Induſtry.	248
Of a Cauſe little ſuſpected of high Prices.	257
The happy Iſſue of a deſperate Combat between Monopoly and ſome private Intereſts.	265
Reflexions on a very ſtrange Revolution in France.	270
The pretended Balance of France *in Point of Trade.*	291
Exportations and Importations conſidered as a Game.	308
The nominal Value of the generality of Exports conſidered, with Reſpect to its Effect on foreign Correſpondence.	338
On Luxury.	352
On Colonies.	372
Preface in French.	399

THOUGHTS

ON THE

MECHANISM of SOCIETIES.

THE firſt ſtep that led to civiliſation was, probably, ſome kind of ſlavery, whatever might be its nature. It ſeems impoſſible that the ſtrongeſt and moſt induſtrious, following no other impulſe than that of a conſciouſneſs of his ſuperiority, ſhould have come to the noble reſolution of ſharing generouſly, with the weak and idle, the fruits of his own labours and induſtry; nor can it be ſuppoſed that he could ſuffer any one, but himſelf, to pronounce on the prerogatives due to his courage and his abilities. But the moſt conſummate knowledge of the means which may have paved the way to deſpotiſm, would throw but a faint light on the various ſubjects which I propoſe to take under con-

ſideration. The Epoch which it may be uſeful to dwell upon, is that, wherein the chiefs of the different ſtates, being in no anxiety for an authority which is no longer conteſted, are the firſt to acknowledge its limits, and begin at laſt to be ſolicitous for the happineſs of their ſubjects.

Such, in my opinion, is now the prevailing ſyſtem all over Europe. The advantage of true freedom is fully felt, and its influence over all-commanding wealth univerſally acknowledged. But, in order to compare the inferences with the principles, to appreciate the meaſures by their effects, I ſhall fix upon that Nation whoſe avowed maxims, and beſt known circumſtances, are moſt likely to furniſh me with a train of arguments, without having recourſe to any further ſuppoſitions but ſuch as may appear neceſſary to clear up the facts that will be adduced in ſupport of thoſe arguments, and to render the conſequences, to be deduced from them, more lucid and pointed.

I ſhall begin with the moſt intereſting article in the preſent ſituation of affairs, namely, how far the wealth of a State, and the affluence of the Subject, may be affected by a NATIONAL DEBT?

A general

A general View of the preſent State of GREAT BRITAIN.

MR. *Arthur Young*'s valuation of the Revenue, in his Political Arithmetic, is the reſult of his own private obſervations. Nothing ever occurred to me on the ſubject, that can come up with the minute accounts he gives us of the different provinces which he has viſited in the north, ſouth, and eaſt of *England*.

I am ready to ſuppoſe, with that gentleman, that the joint revenue of *England* and *Scotland* may be computed, the landed produce and commercial profits included, at 110 millions ſterling.

Mr. *Chalmers* has publiſhed a work on the comparative reſources of this country at different periods; a ſubject, it ſeems, difficult to touch upon without examining the ſtate of population. This publication, according to my judgement, unites to ſuch ſolid principles as the matter will admit, a great deal of propriety in the manner of applying them, and of drawing the inferences.

I willingly acquieſce, taking it for granted, with the author, that *Great Britain* contains 9,350,000 inhabitants: but, at the ſame time, I appriſe the reader, that I do not mean to take any advantage of a population more or leſs numerous; nor of a larger or ſmaller amount of the revenue. *Data* I require; but ſuch I will prefer as moſt nearly border on reality. There is not a State to which, with a difference in the numbers, one may not apply what I have to ſay concerning *England*, in thoſe which I have adopted.

It appears from the eſtimates of Mr. *King*, who, in the reign of *William* and *Mary*, proved himſelf as exact an obſerver as Mr. *Young* has done in our days, that the produce of Land alone amounted then to 32,000,000; the latter calculator nearly doubles it, by rating it at 63,000,000. The Cuſtom Houſe books, the exactneſs of which cannot be diſputed in one of the two facts they vouch to, (*the Burthen of the Shipping, and the Produce of Exportation,*) will ſhew that the former, from the year 1709 to 1773, progreſſively increaſed from 289,318, to 775,078 tons; and the years 1697, 1698, 1699, taken upon a medium and compared with 1771, 1772, and 1773, tend to prove that the gradual

riſe

riſe of the Exports has been ſtill more conſiderable, being from 5,612,058*l.* to 16,027,937*l.* (Vide *Sir Charles Whitworth's State of Trade*).

The foreign trade of *England* ſeems therefore to have trebled ſince the beginning of the preſent century. We ſhall, in the ſequel, ſtate the reaſons for ſuppoſing the commerce of other nations to have experienced the ſame progreſſion.

The annual ſum of 110,000,000, divided amongſt 9,350,000 inhabitants, will produce daily little leſs than 8 pence per head, from the Monarch down to the meaneſt ſubject.

The obſervations I have made in ſeveral parts of *France*, from documents, it is true, no ways comparable to thoſe of Mr. *Young*, could not juſtify my allowing ſo large a revenue to each individual in that kingdom. Yet *France* and *England* are the two richeſt and moſt flouriſhing countries in *Europe*.

Mr. *Young* rates the clear profits of the Manufactories and Trade of *England* alone at 37 millions; but as theſe two objects have apparently been trebled in regard to the exports, they cannot be ſuppoſed to have exceeded 12 millions in

the reign of *William* and *Mary*. To this let us add, in a proportion rather exaggerated, 5 millions for the landed and commercial revenues of *Scotland*; and it will appear, that, including the 32 millions of landed produce, as computed by Mr. *King*, the total amount of the revenue, land and trade of both countries included, could hardly be equal to 49 millions in the beginning of the preſent century. Now, from the ſame author, both kingdoms contained at that period 7,200,000 inhabitants, who, if admitted to a brotherly ſhare, would have claimed only 4½d. each per day. I do not confine myſelf to a nicer exactneſs in the fractions: the object is not to calculate the preciſe inſtant of an eclipſe; or at leaſt, that of Engliſh proſperity appearing to me no ways probable, I think myſelf juſtified in neglecting every thing that might impede my operations, without influencing, in the leaſt, my arguments.

Yet the wages of a journeyman were nevertheleſs rated then at 8*d.* per day: but let it be obſerved, that the number of working-days, when balanced with the holidays, ſickneſs, and want of employment, thoſe eight pence, diſtributed in the journeyman's family, were often reduced to two; juſt as the ſixteen pence, the preſent price of

of labour, according to Mr. *Young*'s Eſtimate, commonly amount to 4*d*. only, although the brotherly ſhare of each man nearly amounts to 8*d*. If any one ſhould be inclined to call this, injuſtice, let him conſider that this very multitude of reductions from 4*d*. to 2*d*. and from 8*d*. to 4*d*. from *William III*. to this preſent time, has been the only means of accumulating by degrees that immenſe ſtock of 600 millions and upwards, manifeſtly laid out by the State in leſs than a century, and of which the National Debt makes a part. It is evident that if each individual, from *William III*. had only ſpent at the rate of 5*d*. per day, there would be no National Debt; but as each man of the nation could, generally ſpeaking, and upon an equal proportion, lay out only 4½*d*. per day, the exceeding halfpenny muſt have long ago ſwallowed up the whole principal, the produce of former reductions.

Not one of the monuments erected ſince that period would now exiſt, nor would a ſingle trace be left of the ſtocks to which the nation owes its preſent wealth: each portion of the national ſtock, every monument poſterior to that era, prove as many perſons reduced in the origin from 4*d*. to 2*d*. and then from 8*d*. to 4*d*. as either of the above two ſums are oftener told

in the value of ſuch monument, or ſuch ſtock as might be made the ſubject of inquiry. No country in the world can boaſt of a more reſpectable ſource of its opulence.——This opulence muſt either be given up, or the inconveniences that attend it be ſubmitted to. In all parts of the world the labourer earns a livelihood, and very little above that: yet this very trifle is ſufficient to make him happy, whereever he cannot be compelled to work without pay. He feels little, never takes the trouble of thinking, and leaves off work only to eat, make merry, or go to reſt.—Is our lot better, with that fatal degree of reflection by which our whole life ſo often centers within a ſingle point?

But is the nation in general as happy in our days as it was in thoſe of *William III?* Have thoſe cauſes, which tend to produce a decreaſe in the population, no manner of influence on the people's happineſs? And is not the reality of ſuch cauſes more ſelf-evident, than the pretended proofs adduced univerſally in favour of its increaſe?

Without entering into any diſpute on the merits of the reſearches concerning population, which would lead to ſome truths perhaps unthought

thought of hitherto; here follow the arguments which will occur to any man who ſtands not in need of a fixed and preciſe number of thinking heads, laborious hands, and well-digeſting ſtomachs.

1ſt. It is not eaſy to conceive how, the landed revenue being nearly double, there ſhould be a leſs number of huſbandmen; for it is not with agriculture as we find it in ſeveral manufactories, where the invention of engines, and an alteration in the mode of working, can ſo advantageouſly ſupply the ſuppoſed decreaſe in the number of hands to work after the primitive manner. The valuable number of huſbandmen ſeems therefore, in my opinion, placed beyond even the idea of a decreaſe.

2dly. It is no leſs impoſſible to imagine, that the number of ſailors being nearly in a triple proportion to what it was, and the quantity of exports probably augmented on account of the burden of the outward-bound ſhips, a diminution ſhould have taken place among that claſs of people, equally precious to the State, for eſtabliſhing and aſcertaining its wealth and ſtrength, as the cultivation is indiſpenſable to ſecure and ſupport its very exiſtence.

3dly.

3dly. If, notwithſtanding the acknowledged impoſſibility of proving a real decreaſe in the population, any one ſhould obſtinately admit of it, without poſitive proofs, it cannot at leaſt be denied, that the produce of land and induſtry being nearly doubled, ſome means muſt have been deviſed, to do that with one hand which required two before. In this caſe it would be an eaſy matter to prove, that at the rate of the ſuppoſed depopulation, the few elect, who have eſcaped its cauſes, can boaſt of enjoyments in a threefold proportion to what they were before, notwithſtanding the difference between the preſent impoſt and that which was paid in the beginning of this century: for, after all, the taxes under *William III.* amounted to four millions and a half and upwards, to be deducted from forty-nine millions ſtanding revenue; the balance was therefore forty-four millions and a half, to be ſhared amongſt 7,200,000 inhabitants, acknowledged by Mr. *King*; that is, very little above 4*d.* per day for each individual. Now, in the year 1779, for I have not yet exceeded that period, the impoſt was of about nine millions, which, taken from an income of 110 millions, left a ſurpluſage of 101,000,000*l.* to be divided. If we adopt the ſuppoſed depopulation at its higheſt rate, the number of ſouls in *England* is reduced

reduced to 4,500,000, each of whom has 1*s*. 3*d*. inſtead of 4*d*. allowed in the reign of *William*. It is then inconteſtible that the Nation is richer, but, I muſt own, not more happy; for they complain and are alarmed at this time, as was then the caſe.

It would be neceſſary to allow the ſuppoſition of an increaſe, if the intention were to ſhew that the people are now in a worſe condition: nor could even this be deemed ſufficient; for, admitting the exiſtence of 9,350,000 inhabitants, it will appear, that, by the ſurpluſage of 101 millions left, after the diſcharge of the taxes in 1779, each individual would be entitled to 7*d*. inſtead of the groat, in *William*'s reign.

The nation therefore in that year, in ſpite of its public debt, had almoſt doubled its wealth, rating the population at 9,350,000; and raiſed it four-fold, ſuppoſing the number reduced to 4,500,000 ſouls: and in either caſe, the riches of the State, as well as the national debt, aroſe and increaſed from the daily reductions of 4*d*. to 2*d*. and of 8*d*. to 4*d*. which, ſince the reign of *William* to this day, have eſcaped from that all-devouring canker, commonly called LUXURY.

A more

A more particular View of the ſame Subject.

I WISH to inquire more minutely, whether ſuch facts as are known do not caſt a ſufficient light over all the others in general, to induce the moſt anxious and preſſing creditor, and the niceſt in point of proofs, to ſleep in the utmoſt ſecurity, till ſome particular diſcovery pleads in juſtification of his alarms.

The preſent revenue of *England* is ſtated at 63 millions; that of *Scotland*, at about 7 millions; collectively, 70,000,000*l.* It will be ſeen hereafter, that 65 or 75 millions would give the ſame eſſential reſults: I muſt however add, if any thing more ſhould be wanted, that, in his eſtimate, Mr. *Young* does not include the horſes, hemp, flax, vegetables, fruit, nor hops, &c. all of which are reproduced annually, and augment conſiderably the number of exchanges held out to induſtry.

This landed revenue is produced by ſomewhat more than one third of the inhabitants.

It

It remains for us now to compute, at the loweſt, the income produced by a ſecond claſs of people, probably as numerous as the former, ſince not leſs than 1,500,000 perſons of both ſexes, and of all ages, are employed ſolely in preparing and working the wool. (See *Chalmers*'s Eſtimates.) But if the labour of 3,000,000 of huſbandmen brings in 70 millions annually, why ſhould that of an equal number of mechanics and handicraftſmen ſtand for leſs in the computation? To this reaſon let the following remarks be added.

Out of the 70 millions, 20 come to the ſhare of the cultivators, either as the price of their labour, or for poor's rates; 12, of theſe 20 millions, at leaſt, are laid out for the produce of induſtry: bread, it may be obſerved, is compriſed in the remaining 8 millions.

Let us ſtate the number of proprietors at 2,000,000, including all their dependents, under any denomination whatever, women, children, chaplains, farmers, phyſicians, ſtrollers, ſervants, &c. and their annual expenditure, in the rough produce of the land, at 18 millions, there remains only 32,000,000, which muſt be paid by the induſtry, already in advance, of the 12,000,000 exchange granted to the cultivator.

tivator. It is obvious that I ſpeak here only of that kind of induſtry which may be productive of exchangeable commodities, even againſt thoſe of foreign produce.

Three millions of mechanics do not live more ſoberly, nor are they worſe clothed, than the huſbandmen: it may therefore be inferred, that out of the 20 millions, which they likewiſe receive for their labour, they lay out in the produce of induſtry, 12 millions, which, added to the 44 millions I have juſt mentioned, make, all together, 56 millions.

The manufacturers and principal traders, under every denomination, with their dependents of all kinds, complete the neceſſary number of the ſuppoſed population of 9,350,000 inhabitants, that is, 1,100,000 ſouls, themſelves, the idle people ſupported by them, and their houſehold included. Suppoſing their conſumption of the rough produce to be proportionable to that of the proprietor, their expenditure will be 10,000,000; but then we muſt ſquare by the ſame rule what they lay out for the produce of induſtry: 18 millions will be the ſum, which, together with the other 56 millions, makes a maſs of 74, inſtead of the 70,000,000 acknowledged in agriculture.

Even

Even this would not be ſufficient, for reaſons which I ſhall give in the ſequel; but I ſhall obſerve, in the firſt inſtance, that were the population leſs numerous than we have ſuppoſed it to be, the ſame conſumption of the rough produce is certainly inadmiſſible: but the landed revenue remaining the ſame, though procured by a leſs number of hands, it would then become neceſſary to eſtimate the amount of the labours of induſtry, effected by a number of handicraftſmen, equal to that of the cultivators, from the aſcertained value of the latter's productive labour.

I now return to the *deficit* wanted for the ſecurity of a conſtant increaſe of wealth, which may at all times ſupply all the exigencies of the State.

The 18,000,000 conſumed on the produce of induſtry, as granted to the principal traders, ſeem to raiſe them to 4,000,000 above their real value; I mean, that which is acknowledged in the produce of agriculture. It is not under colour of the ſuppoſed intereſt of the enormous principal, which gives motion to the manufactures and to the inland trade; it is neceſſary that induſtry ſhould contribute its ſtock, as well as agriculture. The principals laid out, by the one

one or the other, are a matter of indifference to the ſtate; it can ſpeculate but on their produce, and pays exactly the intereſts, when it rates at the ſame value the reſult of the labours of both; but, to the 70 millions aſſigned as the indiſputable produce of induſtry, (ſuppoſing a laborious man to be as good as any other equally induſtrious) we muſt add the intrinſic value of the rough materials on which induſtry hath wrought: This acceſſion, which is alſo fair and equitable, will furniſh, not only the 4,000,000, which annually exceed the home conſumption juſt mentioned, but likewiſe all the millions neceſſary to ſecure, and mean while explain, this gradual increaſe, which it would be difficult not to trace in trade, as it is obſervable in the landed property. The latter is doubled within the ſpace of 90 years; from whence we are forced to conclude, that the annual ſavings of the farmers, and owners living on the ſpot and cultivating their eſtates on the true principles of huſbandry, have ſufficed to diſcharge, not only the public burdens, and to defray the manuring expences, but alſo to double the produce and the general means in the moſt important article. It remains now to examine, whether the ſavings of the manufacturers, traders, and other ſupporters of induſtry, are as indiſputable as thoſe made by the cultivators.

Clear

Clear Savings of the Manufactories, Trade, and other Branches of Induſtry.

THE riches of a country, and its progreſs, are eſtabliſhed and confirmed by its ſavings. Let us conſider curſorily ſuch as, from their ſelf-evidence, admit of no diſpute.

Ninety years ago the landed revenue of *Great-Britain* was computed at about 35 millions. Let us ſuppoſe that 10 millions of ſpecie were then required to give an effectual circulation to property of all kinds, (many people will think this by far too little*): but the revenue of landed eſtates, being now 70 millions, 20 millions at leaſt, inſtead of the 10 millions requiſite in the times of *William* and *Mary*,

C ſhould

* The 18 millions ſterling in circulation, as calculated in 1688, by Dr. *Davenant*, were, in 1711, brought down to 12 millions, probably as we reduce now to 20 or 25, the 40 millions and upwards which might be ſuppoſed in *England*, were we to confine ourſelves to the calculation of the coin ſtruck in the preſent reign, and of the old pieces preſerved on account of their weight being unimpaired. The ſequel will ſhew, that it is next to an impoſſibility for a country, tolerably governed, to preſerve, for any length of time, more or leſs money than its wants require.

ſhould be allowed; and conſequently a firſt clear ſtock of ſavings amounts to - 10,000,000 *l.*

The conſumer in thoſe days was probably allowed, as is ſtill the cuſtom, a twelve-month's credit upon half the articles purchaſed. Some of them took a longer time, if others a ſhorter one; but the ſtock of credit being then equal only to 35 millions, and now raiſed to 70 millions, we have clearly another maſs of ſavings of - - - - - - 35,000,000.

Then, as in the preſent time, the preparing, manufacturing, and delivering, required ſix, twelve, or eighteen months. Let us ſuppoſe the year, upon an average of the ſlowneſs of one operation, and the celerity with which another was performed, we ſhall find again, in the difference of the ſtock, a third ſaving of 35,000,000.

If we ſuppoſe the value of manufactories, dwellings, warehouſes, and all kinds of eſtabliſhments, neceſſary to anſwer all the exigencies of a ſtock of induſtry and commerce of 35,000,000, to have amounted then to 25,000,000, we muſt admit that the objects in the ſame manner neceſſary to a ſtock of 70,000,000, do likewiſe preſent us with a fourth clear ſaving of - - - - - - 25,000,000.

In-

In order to employ thoſe hands by whoſe labour the annual ſum of 35,000,000 was produced, 10,000,000 were probably ſufficient; whereas 20,000,000 are now required. This ſhews a fifth clear ſaving of - 10,000,000.

The annual returns from the *American* iſlands was computed, 90 years ago, at about 330,000, (Sir *Charles Whitworth*'s State of Trade). Half of this produce was, in all likelihood, mortgaged to commerce; but it only ſuppoſed a ſtock of 3,000,000 at moſt lent, it matters not at what intereſt. The yearly produce of thoſe colonies, added to that of the ceded iſlands, amounts, at preſent, to more than 2,900,000; more than one-third of which belongs to the trader, either as purchaſer or mortgagee, and exhibits a ſum of about 20,000,000, from which we ſhall ſubſtract the former 3,000,000; and conſidering (for a moment) thoſe colonies as being foreign to the State, we ſhall find a ſixth clear ſaving of - - - - 17,000,000, (the petition of the merchants in 1775, ſuppoſes it to be 30,000,000.)

The *Engliſh* might perhaps be out of humour with me, were I to ſuppoſe that the continent of *America*, ſtands on the debtor ſide, for

no more than 4,000,000; I ſhall therefore ſet down this article as - - - - *Memorandum.*

Eighty years ago the amount of exportation from *England*, was eſtimated at 5,612,085 *l.* In 1773, upon a medium of three years, the ſame was increaſed to 16,027,937: of the exceeding 9 or 10 millions, one part appropriated to the commerce in *Europe*, another to the *American*, a third to the *Eaſt-India* trade, remain one, two, and ſometimes three years, before they can be applied to the ſame objects. Theſe 10,000,000 therefore ſuppoſe a ſtock more than double the ſame ſum, and ought, in conſequence, to be ſet down as a ſeventh clear ſaving of - - - - - 10,000,000.

The *Engliſh* ſhips, employed eighty years ago in carrying on the national trade, preſented only a ſum of 289,318 tons burden; the number of tons is now rated at 775,078. This increaſe of 485,760, together with the expence attending the fitting out, going and coming, produce a ſtock of 5,000,000, which muſt be doubled, by compenſating the voyages of ſix and eight months, by thoſe which require two or three years: here, therefore, appears an eighth clear ſaving of - - - - - 10,000,000.

The

The proprietor of lands ſhould not be conſidered in this light, in the uſe he makes of his yearly profits, but with reſpect to that part of his ſaid profits which he lays out in cultivation: In regard to that ſhare of his income which he inveſts in the funds, we muſt conſider him as member, agent, and uſufructuary of induſtry and commerce. Now, if we divide into three parts the whole of the national debt, one-third of which, if agreeable, we ſhall ſet down as foreign property, and the other two as belonging to the natives, we muſt of courſe acknowledge in the nation a new ſum of clear ſavings, amounting to 180,000,000. This, in fact, ſhould not be conſidered as a real increaſe of wealth, which it is at all times eaſy to appreciate, but as a proof that there exiſts, in the nation, an ineſtimable number of men, who are capable, in the ſpace of ninety years, to effect a ſaving of 180,000,000, which government will have it in its power, within the ſame ſpace of time, to appropriate to the exigencies of war, if potentates ſhould continue in a warlike humour; or to lay out in objects of induſtry and cultivation, ſuppoſing an improvement of the revenue ſhould be preferred to a ſtate of warfare.

I ſhall not ſpeak either of the difference which may be obſerved between the preſent ſtate of the Royal navy, and the ſituation it was in at the beginning of this century, nor of the public monuments erected from that period, nor of the *India* territories, nor of the Colonies remaining to *England*; provided the objection concerning the money due to foreigners is not repeated againſt me, as I am in hopes, by and by, to find ſome kind of compenſation for it. I ſhall therefore confine myſelf here, to obſerve, that the above ſavings of all kinds of induſtry, ſome of them active, the others paſſive, all equally neceſſary, aſſiſting each other mutually, no doubt, and finally amounting to 332 millions, have been effected in the courſe of 90 years; not with any ſenſible detriment to the landed property, ſince its revenue is doubled, nor to the diſadvantage of the lower claſs of people, whoſe day-work brings in 1*s.* 4*d.* inſtead of 8*d.* nor to the prejudice of the fine arts, the rewards of which are perhaps fourfold, comparatively ſpeaking; but ſolely according to the common courſe of things, *reſtrained, nevertheleſs, by a war of* 30 *years and upwards, out of the* 90, and by all the prejudices which the preſent generation begins to ſhake off, and which probably will be entirely aboliſhed in the next.

It

It is no ways natural that the ſame cauſes will not be productive of the ſame effects. It may therefore, in my judgement, be reaſonably concluded, that, within 90 years from this day, the landed revenue may be increaſed to double its actual value, and the population, trade, and induſtry, augmented in the like proportion, were even the national debt to amount then to 476,000,000, inſtead of the preſent 238,000,000, which excites ſo many complaints and loud murmurings.

In fact, let us ſuppoſe the debt arrived at a height ſo apparently formidable, *and the price of every thing proportionably increaſed*; would the former be leſs firmly eſtabliſhed? Methinks that the very contrary is demonſtrated by calculation, and that imagination cannot frame any rational objection thereto; at leaſt I am free to confeſs, that all my efforts have not been able to produce any combination of probable circumſtances, which might, in any ſuppoſition, juſtify the dread of that *application of the ſponge* which is ſo often held out as a reſource that ſooner or later muſt be adopted. Setting aſide the infamy of ſuch a meaſure, what advantage would accrue from it? Let it be adopted this moment in *London*, within three days the ſame

ſtep muſt inevitably be taken at *Paris*. A manœuvre of this kind would manifeſtly indicate either the moſt hoſtile intentions on the part of the *Engliſh* government, or the project of overturning the conſtitution: the latter concerns *England* alone; but in the former, *France* is deeply intereſted. That power would be compelled to put itſelf in a ſituation to oppoſe an immenſe and free revenue, to a revenue equally immenſe without appropriation. Were, on the other hand, the *French* to lead the way, *England* muſt inevitably follow; and the unprofitable diſgrace would be the portion of either of the two nations that ſhould have ſet up the precedent.

But who will ſee without grief, 2,000,000 intereſt due to foreign States! 2,000,000 in ſpecie carried out every year from *England! England* yearly ſtript of 2,000,000 of her money!!! It will be ſeen hereafter in what that money conſiſts. Yet with perſonal ſtocks ſo real, ſo conſiderable, ſo clear, what can prevent *Great Britain* wreſting from the foreigner, the ſhare he claims in the national debt? The reaſon is obvious: the owner of landed property, or the farmer, who hopes to get ſix *per cent.* of the ſtock which he lays out upon his lands, inſtead of veſting them

in

in the funds, envies not the foreigner who is glad to get 5, 4, or even 3 *per cent.* On the other hand, the merchant who trades by commiſſion, and who has an opportunity of placing in the colonies his money at 5 *per cent.* intereſt, which is raiſed to 8 and 9 by his commiſſions for ſale and purchaſe procured therewith, cannot wiſh himſelf in the ſituation of a ſtranger, whoſe ſtock in the *Engliſh* funds brings him in, not above one half of that ſum. It is ſtill leſs an object of envy for the manufacturers, or owners of ſhips, who, from their manufactories or ſhipping, clear 10 or 12 *per cent.* of the monies laid out by them: the projectors of all kinds likewiſe flatter themſelves, that the ſtock employed in their undertakings will produce 15 *per cent.* To ſum up the whole in much fewer words, the proſpect of 3 or 4 *per cent.* is not likely to tempt any one, who is in hopes of getting a two, three, or even four-fold intereſt. And in fine, the public funds, in any country whatever, will never be more or leſs than a lucky, *or rather a providential*, reſource for thoſe who have neither talent, power, nor leiſure, to place their money to better advantage.

Now, would the aboliſhing of ſuch a reſource turn to the profit of the State, even ſuppoſing it

it to be effected by the juſtifiable means of a general reimburſement, were the caſe poſſible? I have too often reflected on the ſubject, too often revolved it over and over, I have viewed it under too many points, not to be ſenſible how far above my ſtrength it is to diſcuſs the matter in all its parts; I ſhall nevertheleſs venture to throw out ſome thoughts, which to me ſeem likely to render ſomewhat problematical a queſtion which, at firſt ſight, does not appear anyways difficult to reſolve.

This queſtion is not, whether it would be more advantageous to the State, not to have contracted a debt of 238 millions; but whether, ſince it is incurred, it would be profitable to diſcharge it. To doubt of the former, would be abſurd: 238 millions thrown away almoſt entirely, within the ſpace of 90 years, to forward deſtructive ſchemes, now no otherwiſe compenſated than by a double devaſtation of the ſame kind, in a neighbouring kingdom, which by a treble population was able to ſupport it, would certainly have been better beſtowed, in both countries, either on the lands, whoſe revenues and number of cultivators would have increaſed, or in the improvement of the trade and arts, the ſtock and *chef-d'œuvres* of which would

would thus have been multiplied. But the debt being once incurred, let us ſuppoſe that the 238 millions, which are vaniſhed, ſhould return into the Exchequer, would it be proper or not to pay it off? Thus ſtands the queſtion.

Thoughts on Impoſts and Reimburſements.—The Accumulation of public Treaſure conſidered as the Means of preventing Taxation.

THE preſent impoſt in England, as the caſe is almoſt every where, conſiſts of two parts widely different from each other: the one is certainly burdenſome, but neceſſary;—of this hereafter. Might not the other, which concerns the national debt, however grievous it may appear, be conſidered as an uſeful eſtabliſhment, ſo long as it ſhall be preſumed that the increaſe of the national wealth, and its being divided amongſt a greater number of individuals, is an advantage to the State; "or, in other words, "until it ſhall appear evidently, that the welfare "of the State requires that each of its members "ſhould lay out annually all that he is able to "ſpend?" Before I attempt to deliver my opinion on theſe two ſubjects, I ſhall ſuppoſe the reimburſement poſſible, and reſolved upon.

Nine

Nine millions of taxes, to pay off the annual intereſt of the debt, compoſe nearly one ſeventh of the landed revenue. Theſe taxes, gradually laid on ſuch objects of conſumption as are ſuppoſed moſt likely to bear them, muſt have raiſed their price by one ſeventh, or ſomething more; and that really, juſtly, and I think neceſſarily. The reader will perceive that I ſpeak of the objects of taxation collectively, ſince ſome of them bring to the Exchequer twice their intrinſic value. The reimburſement being effected, would they fall back to their primitive value?—Yet this muſt be, in order to reap the pretended advantage; and this, in my opinion, would be of no manner of ſervice. I ſhall endeavour to prove it; and then we ſhall examine whether the effect would not be more than doubtful.

It would be no eaſy matter to aſſign, for certain general facts, any other cauſe than the force of Nature; who, in the end, gets the better of all the regulations that thwart her. But let any one examine whether there be a ſingle untaxed object, which, from 90 years back, or, to ſpeak more to the purpoſe, from the origin of the national debt, is not raiſed more than one ſeventh, above the nominal value

it

it had at that period. It is therefore ſufficiently probable that the taxes have been felt, not only by the conſumer of the taxed commodities, (according to the laudable intentions of Government) but alſo by the whole nation, by all the individuals that compoſe it :—And this, in my opinion, is equally juſt and unexceptionable.

Yet, it may be urged, that this increaſe in price is to be aſcribed to the greater quantity of ſpecie in circulation. Granted. In this caſe, a falling-off in the prices, accruing, as it is ſuppoſed, from a decreaſe in the taxes, which is repreſented as the effect of a reimburſement, cannot then take place :—beſides, as the ſequel will ſhow, the taxes unavoidably bring in, one way or the other, even in the firſt year, the whole money required to pay the ſame. I ſhall argue on both ſuppoſitions. Is the increaſe in the prices owing to the taxation? It appears, evidently, that the taxes bring in the ſums neceſſary to pay them, ſince they are actually and annually paid :—This money, then, muſt be withdrawn from the circulation, in order to lower the prices. Is this increaſe the effect of an augmentation of the ſpecie? Then it will be neceſſary, in order

to

to aſcertain the primitive price, to recall from the circulation all the money which has been introduced ſince, and in ſpite of the taxes. Now if, in ſpite of the taxes, a country abounds with money, how ſhould it not be ſo, ſuppoſing no duties had been laid?—How can the abolition of the taxes prevent the introduction of caſh?—How will it come to paſs, that the maſs of ſpecie being increaſed, the prices ſhall not be raiſed?—And if all of them augment, in a fair proportion, who will gain by it, who will ſuffer?

Be it ſuppoſed, nevertheleſs, for this is my main object, that the abolition of the taxes will lower the price of the maſs of taxed commodities.—The ſame force of nature, which, without the intervention of any one, had raiſed the generality of untaxed objects up to the rate neceſſary to balance the imaginary value, which the tax added to the others, would operate in a contrary ſenſe, and diminiſh, inſenſibly, the price of thoſe articles which might have been overlooked:—What would be the advantage accruing to the State from a general and proportionable decreaſe?—Let us not think yet of the pretended profit that would reſult therefrom,

therefrom, in favour of trade, with relation to foreign competition: this matter requires a particular article. The only buſineſs now in hand, is to examine, whether, in caſe the reimburſement ſhould be effected, this general decreaſe of prices, which I have juſt granted, could be effectually obtained.

The reflections which I have hitherto laid before the reader, ſuppoſe that the refunded 238 millions would irrevocably be transferred from the Exchequer into the hands of thoſe unfortunate individuals who might have been forced to receive their reimburſement. But one muſt live. Government could not carry injuſtice ſo far as to compel them to bury, or caſt into the deep, that precious metal, ripped up at ſo great an expence from the bowels of the earth. What conſequence would then enſue, if that immenſe ſum put into circulation, not in *England* alone, where ſuch an addition of ſpecie would, in leſs than ſix months, occaſion a ſix-fold riſe of prices, but over all *Europe*, where probably treble that ſtock never was in circulation? — The price of every commodity would treble, or at beſt double, perhaps univerſally.—What advantage could

could the State, or individuals, derive from ſuch unavoidable, general, and proportionable riſe?—Were the reimburſement practicable, inſtead of effecting it, I ſhould vote for laying out the 238 millions in erecting a coloſſus of gold and ſilver, to be a ſtanding monument of public gratitude towards thoſe whoſe œconomy and confidence have ſerved the State in its needful circumſtances.

The abſurdity which might be imputed to ſuch an idea I ſhall partly do away, by ſtating the effects of laying up treaſures, as has been the fancy of ſeveral princes, and which is ſuppoſed profitable by Mr. *David Hume*, who, methinks, ought to have been one of the firſt to reſt aſſured of its inutility, after his excellent obſervations on money.

I ſhall ſuppoſe that the *Engliſh* government had preſerved, ſeven years ago, the 60 millions and upwards, expended during the laſt war; and that, inſtead of laying thoſe taxes ſo highly complained of, they had annually laid out of the Exchequer, the 12, 15, 20,000,000 ſterling, which ſucceſſively produced the laſt debt: what might have been the reſult?

Firſt,

Firſt, If the very uſeleſs prohibition of the exportation of ſpecie, however it *might* be profitable to thoſe who could export it, could have poſſibly been put in force, 60 millions of real caſh added, in a country where 20 millions perhaps are ſufficient for circulation, muſt have doubled at leaſt the price of every thing; a conſequence diametrically oppoſite to what it was intended to effect. Would it not, in ſome reſpect, have ruined the Bank, by rendering uſeleſs its nominal ſtock, in lowering the intereſt of its real one, and reducing, in fine, its abilities ſo much below the level of public wants, when the general prices, two-fold increaſed, would have raiſed, in the ſame proportion, that of every engagement?

Secondly, The evil would have been leſs fatal than I deſcribe it, if the prohibitory law, as all thoſe that militate againſt juſtice and common ſenſe, had been evaded; but the gold hoarded up heretofore, and now ſuppoſed to be circulated over *England*, would, by ſucceſſion, have paſſed into *France:* and the latter, in order to continue the war, would have borrowed, even of the *Engliſh*, at four, and preſently at three *per cent.* the monies which ſhe could not procure at leſs than ſeven or eight *per cent.*

Now money growing more common in *France*, the prices would be, as in *England*, and ſoon after every where elſe, increaſed in the ſame proportion; for it is eſſential to obſerve, that thoſe two nations are too rich, their correſpondence too extenſive, their activity kept up by too many branches of induſtry, for them not to regulate the markets all over *Europe*: it is probable that both are now too enlightened any longer to refuſe receiving it, not one from the other, but from Nature herſelf, who, conſtantly provident, ever above the reach of untoward regulation, at all times unbiaſſed in beſtowing her favours, or equipoiſing one by the other, would ſettle, only a little later, notwithſtanding all efforts to the contrary, that equilibrium neceſſary to the general good of Society, of which it is glorious enough for thoſe two countries to conſtitute the preponderant parts.

Thirdly, Independent of this general and inevitable repartition of the 60 millions laid up heretofore, the 10, 15, and 20 millions, which *England* has found yearly, during the laſt war, in the purſe of her ſubjects, were, beyond doubt, that portion of capitals, which the circumſtances of ſuch a war as the laſt was, would have rendered uſeleſs in the hands of the lenders, had government found

found in the Exchequer thoſe ſums which were obtained by way of a loan. Can it be doubted but that this portion, uſeleſs in *England*, in the ſuppoſition of a prior accumulation of money, would equally have been ſent into *France*, on the firſt proſpect of placing it to advantage?—It would have been carried there, juſt as the *Dutch* had formerly ſent into *England* the dormant part of their capitals, and would ſend it any where, at all times when ſure of benefiting by it, were it even againſt the intereſt of the *United Provinces*, ſaying with *Camilla*, in *Corneille*'s Tragedy of the *Horatii*,

> " Rome, ſi tu te plains que c'eſt-là te trahir,
> " Fais toi des ennemis que je puiſſe haïr."

It will appear by the ſequel, that I am as far from cutting off ſuch reſources, as are deemed infallible, and dictated by prudence, in order to ſupport with vigour a neceſſary war, as I am from raiſing the leaſt doubt concerning the right of waging war, be it ever ſo unprofitable and unjuſt. My only intention was to prove, that treaſures hoarded up in time of peace, and ſcattered afterwards during a war, in order to avoid taxation, would raiſe much higher the prices of every thing, than taxes of any kind whatever could raiſe them. And I do now ſay—make war as

ſong as you pleaſe, but do not accumulate for the purpoſe of waging it. Your monies, locked up in your ſtrong cheſts, could not be ſheltered from every kind of accidents; and whilſt you can boaſt of ſubjects equally brave and induſtrious, you will never want money, nor means to carry on any war you may undertake: but then you muſt ſubmit to that augmentation of prices, which muſt naturally follow. I flatter myſelf I ſhall be able to prove, that this very increaſe is ſubject to no manner of inconvenience.

On the grievous, but neceſſary part of the Impoſt.

WHICH part of the impoſt is truly hurtful to the wealth of nations? A ſtanding army of 50,000 men in time of peace, both for the ſea and land-ſervice, and 50,000 more employed, either upon the different objects relating to thoſe ſervices, or to maintain good order and public tranquillity, or intruſted with the collection of the revenue, are evidently 100,000 men, taken in *England* from that laſt claſs which, though *laſt* in point of rank, is nevertheleſs the ſole inſtrument of the national riches. Now, out of the *given* number of 9 millions of inhabitants, 6 millions only conſtitute this precious, this productive claſs; the other 3 millions conſiſt

liſt merely of conſumers: from the 6 millions, allowed in the productive claſs, deduct 4 millions of children, old people, and women, half of whoſe life is taken up with the cares and incumbrances of a domeſtic nature; of this truly profitable claſs 3 millions only will then remain. A hundred thouſand men, all ſtout, vigorous and ſkilful, conſtantly withdrawn from that claſs, occaſion a vacuum of about a twentieth in the productions of the land, and of the arts, that is to ſay, (for there ſhould be no illuſion in the caſe) the twentieth part of the poſſible wealth. That portion of the impoſt, which is ſet apart for the ſubſiſtence of thoſe 100,000 men, is therefore, in ſome manner, burdenſome; ſince ſociety is thus deprived, not only of the produce of their induſtry, but alſo of that part of other people's labour which they conſume without contributing towards it: but amends are amply made for thoſe indiſpenſable privations, by the property being better ſecured, and enjoyed in full tranquillity. Beſides, that part of Society, which ſuffers moſt thereby, does not belong to the productive claſs; the latter, as has been already obſerved, is, in the richeſt as well as in the pooreſt countries, ever reduced to that pittance which is but juſt neceſſary to keep up induſtry. Nations the moſt free differ in this point from thoſe who groan under the moſt

ſlaviſh deſpotiſm, only by the inſolence with which this ſcanty pittance, if refuſed, is inſiſted upon in a free country, and the humble manner in which it is ſued for in the others. The difference of natural talents, diſplayed in their utmoſt energy, ſuffices to eſtabliſh, ſooner or later, amongſt the freeſt people, that enormous diſproportion of wealth which gives offence elſewhere, only becauſe it is not always the proof or reward of labour, abilities, and œconomy.

Let any circumſtance whatever, either well or ill judged, occur, which may determine the nation to complete to 200,000 the 50,000 ſailors and landſmen that are ſufficient in time of peace; 150,000 more men will be taken from the productive claſs, which muſt, of courſe, occaſion a ſecond vacuum, viz. the productions with which they would have enriched or amuſed their country. But the loſs will not end here; other 300,000 men, many more perhaps, from the ſame claſs, conſtantly buſy, during the war, in preparing the intended deſtructive plans, will unavoidably occaſion a farther loſs of four or five other twentieths in the other enjoyments of peaceable times, to which, had not other occupations interfered, they would have contributed: and if the war ſhould laſt for 3, 4, or 10 years, it is evident

evident that, in the latter ſuppoſition, the nation muſt loſe all that increaſe of wealth which would have been effected, had the principal, ſwallowed up by the war, been differently employed. This loſs is conſiderable, immenſe, and never can be retrieved; for what was then omitted, will never be done; what will be effected, might equally have been ſo, without preventing the productions which would already have taken place.

All theſe *deficits* in wealth, occaſioned by the war, are a ſubſtantial loſs; and the proſpect would be diſpiriting indeed, were not the rival nation in the very ſame predicament. But will this grievous loſs be after the peace active, as it were, and felt by the community longer than the time required for the 2, 3, or 400,000 men, employed during the war in forwarding the deſtructive ſchemes, to reſume their peaceable occupations; or till the number of them, who ſhall have died in *America*, the *Indies*, of the ſcurvy, or at the fatal tree, be replaced by the ordinary courſe of population?—This I cannot conceive by any means: ſome of the reaſons, which I have to adduce, will be found in the reflections I am about to preſent on the ſecond part of the impoſt, which ſeems to me not leſs uſeful than the firſt is neceſſary: all my other arguments will

appear in the other parts of this work. If it can be concluded from the *enſemble*, that all the evils brought about by a bad or ill-fated adminiſtration, are naturally, and without expence, compenſated under a wiſe miniſtry, and that the moſt barbarous and moſt extravagant of them all could have no other means of ruining the nation than by deſtroying the people; then, made eaſy on the effects of the national debt, we ſhall have courage enough to acknowledge, that it is as ſacred in the hands of thoſe, who, having furniſhed the value, are in poſſeſſion of the vouchers, as the crown on the head of the monarch; and we ſhall enjoy the freedom of mind neceſſary to infer, that although Providence often ſeems to leave to chance the deſtiny of ſome individuals, yet it is very far from being indifferent to all that concerns the whole ſpecies *. *Of*

* I have mentioned the fatal tree, as a conſequence of the miſeries attending war. This is more ſenſibly felt in *England* than any where elſe, for reaſons obvious to every one. During the firſt years that immediately follow a peace, a four-fold number of wretches, to what are executed at other times, are brought to the gallows. It is with much ado that a man returns within the ſphere of the confined and daily occupations of the handicrafts or huſbandmen, when he has for ſome years rioted in that licentiouſneſs permitted, in a manner, to ſoldiers and ſailors, in every thing that does not concern their reſpective ſervice.

Of that part of the Impoſt, which is more uſeful than grievous.

THE part of taxation, which now remains to be conſidered, is that which, at every inſtant, preſents to any one, a ſecure and uſeful employ of all the capitals at his diſpoſal, and of all the ſavings which prudence hath induced him to make. The utility of the public funds, which are nothing elſe but the national debt, might ſeem eſtabliſhed by theſe few words; but further details are neceſſary.

I have adopted the eſtimate by which *England* is ſuppoſed to contain 9,300,000 inhabitants; one-third cultivates the land, one-third is engaged in manufactures, and of the remaining third, 600,000 at moſt ſhare among them the neat produce of cultivation and the arts, in proportion to the capitals with which they keep in play thoſe two engines of opulence. All the remaining part of the people, as dependents under whatever denomination, look, for their ſubſiſtence, to the friendſhip, humour, pride, or wants of the 600,000 proprietors.

Out of 70 millions, at which the landed revenue throughout *Great Britain* is computed, 33 mil-

33 millions are abſorbed by the unavoidable expences, and acceſſary charges attending cultivation, or annexed to the property. The proprietors ſhare among themſelves 20 or 25 millions; the other 12 millions go through the hands of farmers, as a very equitable recompence for their trouble, and as a liberal intereſt for a perſonal ſtock of 120 millions neceſſary to the produce of the revenue. (Vide Mr. *Arthur Young.)* On the beſt uſe poſſible of theſe laſt 120 millions, ſolely depends the increaſe of landed profits: but it is only by degrees, and the concurrence of favourable circumſtances, that the landed property can effectually receive the increaſe of the capital, which is calculated to augment that produce.—Does it conduce to the intereſt of the State, that, till then, the farmer ſhould keep inactive the capital appropriated to ſo material an object, or that he ſhould lay it out to improve the lands before it is wanted, or that, waiting for the inſtant of need, he ſhould employ it in ſuch manner as not to have it at command when the needful time is arrived?—This queſtion cannot be anſwered, I think, but in the negative; and it appears to me, that, on this point at leaſt, I may aſſert poſitively, that an eſtabliſhment, which puts into the hands of the farmer, at the very juncture when

when he wants it, that portion of his capital which had hitherto been uſeleſs, *and which however was, till then, (owing to ſuch an eſtabliſhment) advantageous to ſome one elſe,* is, of all others, the moſt profitable, wherever the object is, to give to every capital that degree of activity and utility of which it is ſuſceptible. Therefore, a reimburſement which would deprive the *capitaliſts,* farmers, and active proprietors, of a reſource equally ſafe and profitable, would not only prove fatal to the order of citizens eſpecially intereſted in the landed revenue, but to all thoſe who, whilſt the money intended for the improvement of land, is unapplied, make uſe of it in ſome advantageous ſpeculation, which becomes important to the arts, and to commerce.

We have already obſerved, that out of the three laſt millions of inhabitants, 600,000 *capitaliſts* only ſhare among themſelves the neat profits of the arts, and of cultivation. There remain therefore 2 millions 400,000 dependents, who look up, for their ſubſiſtence, to the caprice, the pride, or wants of thoſe opulent men. Now out of that number of dependents under every denomination, ſervants, clerks, lawyers, phyſicians, &c. ſeveral thouſands are to be reckoned,

reckoned, who, tired of their ſituation, put by conſtantly, part of the wages of ſervitude, in order to ſecure to themſelves and their poſterity a more free and leſs equivocal exiſtence.—Would the State be benefited, were this claſs of men, as eſſential as any other parts of ſociety, to bury, as it were, the ſurplus of their layings-out, till they ſhould have amaſſed the ſum they might think ſufficient for their intended purpoſe?—Would not the money, thus lying idle, occaſion a chaſm in circulation, which would turn to the prejudice of trade, thereby deprived of part of its reſources?—Beſides, if the want of a cheſt, ſafe from the attempt of robbers, and other inconveniences, a cheſt which is not only a ſecurity for them, but affords an intereſt for the money therein depoſited, ſhould neceſſitate them prematurely to embark in ſome ſcheme foreign to their occupation, which muſt be either abandoned or neglected; would not that knowledge, which they have derived from experience in all matters relating to their primitive avocation, be entirely loſt to the public?—A reimburſement therefore which would deprive that part of ſociety, much more wretched and dependent than either the mechanic or the cultivator, of a reſource which, from its certainty, induces the former to fulfill with more zeal and exactneſs,

exactneſs, the duties they have impoſed on themſelves, would prove a meaſure as hoſtile to humanity, as it would be contrary to ſound policy.

In the immenſity of commercial operations, how many capitals to a conſiderable amount, unemployed during two, three, four, and ſix months, are indiſpenſably wanted at the preciſe period! Would it turn out to the advantage of the State, if a conſiderable capital, uſeleſs for ſix months to the holders, and for the like ſpace of time eſſentially wanted by thoſe who poſſeſs none, ſhould lie dormant in the proprietor's cheſt, till time ſhould give it life, and make it uſeful?

But it may be urged, a man buying ſtock in the public funds, would lend to the ſeller (were no ſuch funds eſtabliſhed) the ſum which he gives for his purchaſe.—That he might do ſo, there is not the leaſt doubt: But could he depend on receiving the money at the time appointed for the repayment? May not the beſt man to-day, be a bankrupt to-morrow, and break for a million; and if the enterpriſe, to the execution of which a merchant appropriates, to be paid in ſix months, that portion of his capital, which

which till then has been to him unprofitable, ſhould require that punctuality which alone could inſure its ſucceſs, will not prudence compel him to give up ſix months intereſt, that his undertaking may not be left entirely to chance?—Will not the public have loſt the fruit which might have been reaped from that dormant capital, had the owner been at liberty to diſpoſe of it?—And, will the ſame public flatter themſelves that the ſix months intereſt which the merchant was obliged to ſacrifice, in order to ſecure the execution of his plan, will not be reckoned in the expenditure?

Some will ſay, with no ſmall degree of acrimony, "How many drones are ſupported at the expence of the public funds! Theſe are only an encouragement to idleneſs."

But do the perſons before ſpoken of, come within this deſcription? And, if the man who has laboured in his youth, chooſes to repoſe himſelf in his old-age, is this pretended idleneſs any thing more than that *otium*, that leiſure, ſo juſtifiable, and ſo ſweet, after a toilſome life, when the ſtate of the mind, and of the heart, ceaſe to make labour neceſſary?—And, ſuppoſing, that after his death his wealth devolves to an ideot, muſt the ſon of

an

an induſtrious father, who has ſerved the State both by his œconomy and labour, be deprived of his reſource?

It might be objected, that my reaſoning derives its force from the bare ſuppoſition of a total reimburſement, the poſſibility of which no one can admit; but were it ſubjoined, that, by acknowledging the impracticability of the meaſure, we ſuppoſe its expediency;—were it farther ſaid, that the public papers have often ſpoken of, and do ſtill point out as the readieſt and ſureſt way to effect it, *the application of the ſponge*; —were it added, that the firſt geniuſes of *England*, *France*, nay, of all *Europe*, have advanced, and do ſtill maintain, that ſuch a meaſure will one day or other become unavoidable;—then we ſhould be forced to acknowledge, that it would be no inconſiderable ſervice to humanity, to ſpare no endeavours to convince the people, that no greater eaſe, power, or happineſs, would accrue to them, were the nation to reſolve upon its own diſgrace.

Nor would it, in my opinion, be a more difficult taſk to prove, that from a real and gradual reimburſement, no other advantage could reſult, than bringing about by degrees and more im-

imperceptibly, an evil which would prove equally unprofitable to all.

I ſet aſide the outcry againſt the intereſt yearly paid to foreigners, as the produce of the ſums veſted by them in the funds, becauſe I think ruin impoſſible, where the money borrowed at 4 or 5, is laid out at an intereſt of 6, 7, or even 10 *per cent.* I likewiſe overlook the declamatory complaints on the fate of the handicraft and huſbandman; becauſe the laws of *Lycurgus* ſhould be revived, or the government muſt confine itſelf to protect thoſe two claſſes of men againſt every ſort of private vexation, and to ſecure to them the trifling ſalary to which they are every where and forever doomed. In ſpite of avarice the ſalary muſt be raiſed, if the prices of every neceſſary ſhould increaſe; and were theſe to fall in their value, mutiny itſelf could not prevent a diminution of wages.

That part of the people which truly deſerves, and ſhould engage the attention of government, is that crowd of dependents, in the other claſs, of which I have already ſpoken: like the cultivator and artificer, they have no other ſtock than the paſſions and wants of the *capitaliſts*. Theſe would

would be much more wretched than the others, if the education they have received, carrying their thoughts conſtantly and in ſpite of themſelves beyond the preſent moment, government ſhould in a manner compel them to center them all within that narrow ſpace. The merchant never has more in the funds than that portion of his capital, which, for the moment, is uſeleſs to his trade. The farmer, and the proprietor who manages his own eſtate, *conſidered under theſe two heads*, have at no time in the funds more than that portion of their capitals, the actual uſe of which upon the lands they cultivate, might turn rather to their prejudice than profit. The annihilating of the public funds, or, in other words, a partial reimburſement, a gradual diſcharge of the debt, could therefore affect thoſe three orders of ſtockholders no farther than to deprive them of this way of increaſing their capitals, without running any riſk; and thoſe are, undoubtedly, the ſmalleſt part of the ſums which conſtitute the national debt. Which is, then, the order of citizens that receives the larger ſhare of the intereſt funded for that debt? It is that multitude of dependents whom the political œconomy of ſociety has doomed to toilſome occupations uſeful to that ſociety, or to laborious ſtudies, of which that very ſociety

daily reaps the benefit: it is to that multitude of widows and orphans of both ſexes, whoſe future ſupport the unfortunate claſs abovementioned thought to have ſecured by means of the preſent privations which they had impoſed on themſelves: it is to thoſe children whoſe elder brothers are in poſſeſſion of all the family real eſtate, and whoſe parents hoped to have fixed their condition and ſettled their fortune by the only means that can effectually obviate, not the injuſtice of an unequal diviſion, ſince it is admitted, but the inconvenience reſulting from the indiviſibility of the landed property, which devolves to the eldeſt.

Yet if, in a State, we muſt be father, brother, ſiſter, widow, orphan, *capitaliſt*, in fine, or without a capital, but with the faculty of acquiring one; which, then, is the claſs of citizens intereſted in paying off, either totally, or in part and by degrees, the national debt, when once it is incurred? Beſides, if the reimburſement cannot be effected but at the public expence, what advantage will the public derive from this operation?

Objections

Objections of another kind againſt paying off the National Debt.

THE nominal amount of a loan which nothing obliges us to repay, is a matter of a very little importance; the intereſt agreed upon for the borrowed ſum, is the only thing that deſerves attention. The total of the intereſt in *England* is now about nine millions, three millions of which could not be procured but by laying taxes on thoſe objects which had hitherto eſcaped the penetrating eye of the financiers, and by doubling or trebling the impoſt on thoſe which appeared leſs liable to the inconveniences attending ſuch an additional increaſe.

Before I examine in what mode the taxes operate, I ſhall ſuppoſe, for the ſatisfaction of the ſenſible and benevolent mind, that this formidable burden falls only on the conſumer of ſuch objects as are taxed. The only plauſible aim of a reimburſement, is a diminution of the taxes which lie ſo heavy on that conſumer; but the misfortune is, that the only means of refunding, is to deviſe new taxes, or increaſe the former ones. Beſides, if this in-

creaſe be trifling, the reimburſement cannot be effected in leſs than a century. I freely confeſs, that in this caſe, the proprietors of the public funds would be leſs aggrieved, having then ſufficient time to think on the leſs diſadvantageous modes of replacing their ſtock; yet, I repeat it, not leſs than a century would ſuffice to diſcharge that very debt; and the public being a little more burdened annually, than they would have been had not the project of paying off the debt been ſtarted, would have no other compenſation for the additional burden, than the diſtant proſpect of a general releaſe in a hundred years.—If the intention is, to bring about that releaſe within a period which, to the fiftieth part of the preſent generation, gives the hope of enjoying the effect of it, I agree, that by means of one million of additional taxes, and ſome financiering tricks, the whole debt may be liquidated within the ſpace of 40 or 50 years; and then, that part of the preſent generation which may exiſt at that *moſt gracious* period, will, perhaps, bleſs the hand by which it ſhall have been relieved. But would that ſame hand be, till then, entitled to the like bleſſings from the unfortunate who ſhould be reimburſed, and from thoſe at whoſe expence this operation would be effected?

A firſt

A firſt difficulty attending the objects under examination, is, that on every head requiring an explanation, a multitude of queſtions occur, which muſt be previouſly diſcuſſed; yet, with the utmoſt candour I confeſs, that there is not one among them which is not above the extent of my abilities. I ſhall therefore offer my thoughts on the ſubject with all that diffidence which reſults from ſuch a conſciouſneſs. Partly by chance, partly from ſome other circumſtance, as little glorious almoſt, or as little humiliating, I have been ſo often in the right, and ſo often in the wrong, that I ſhould not be now more ſurpriſed at the one than proud of the other.

Another inconvenience is, that a picture, which, in its *enſemble*, might hold out, through a thouſand incorrections and as many eſſential defects, a grand ſubject which, to become generally intereſting, ſeems to wait only for the pencil of a ſkilful artiſt, viewed, unfortunately, by pieces, (and indeed it cannot be viewed otherwiſe,) preſents at each time, nothing but a ſingularity, an oddity, which will ceaſe to be ſo only when brought near to another; and this laſt, nevertheleſs, will require the ſame indulgence in order to its being rightly underſtood. The picture which I have preſumed to take in hand is, I

think, nearly of this kind. My wiſh, and a bold one it is, would be, that no judgement be pronounced on any of the particular parts, till they have been ſeen all together; for there are but few of them which, till another has been examined, is not liable to very juſt objections: and under each head I have anſwered to thoſe only which it was eſſential to refute, that the reader might be able to go through the whole of the exhibition, which, had the plan of it been preſented in the firſt page, might have ſubjected the book to be committed to the flames without mercy, and, indeed, without much apparent injuſtice.

I now reſume my ſubject, after a digreſſion that may be looked upon as a preface, which the reader may perhaps think might have been ſpared.

In the age we live in, to juſtify a neceſſary impoſt, by the pretence of paying off the debt, would be, of all ſtate manœuvres, the moſt unpardonable. To lay heavy burdens on the people now, ſo as to liberate them in the ſpace of a century, is, independent of a great many more improbabilities, to ſuppoſe, in the plan of adminiſtration, an immutability which it cannot give itſelf, and which does not, nor ever can exiſt. To leave the individuals of a nation in

poſſeſſion

poſſeſſion of all, that it is not indiſpenſable to take away from them, in order that, with what they have left, they may acquire that which it will be perhaps neceſſary to deprive them of, is a principle, the abſurdity of which it would be no eaſy matter to evince; but, to cruſh them under ſuch an additional weight of taxes as would be neceſſary to exonerate them forty or fifty years hence, would be, in my opinion, attempting a meaſure, ſome of the conſequences of which have no doubt eſcaped the attention of the propoſers.

What may be the immediate effect of a conſiderable reimburſement, which even ſolely depends on the produce of taxation, and by no means of a real increaſe of ſpecie in the nation? It conſiſts in refunding to the lenders a ſum which muſt ceaſe to be uſeful to them, till it is replaced ſomewhere elſe; and obliging them to veſt it, without loſs of time, on that portion of the debt which is not yet acquitted.—But this privileged portion, which, previous to the reimburſement, was ſuppoſed only worth 80, and produced four, (it may be obſerved that, in the numbers, which I fix upon, I only look for terms to explain my meaning) will be worth 90, and preſently 100, yet will not bring in more than *four*.

It may be anſwered, the ſtocks riſe, public credit increaſes.—We are not yet come to this point; but the fortune of the repaid ſtockholders, which does not conſiſt in a nominal capital, but in the revenue it produces, will therefore, in fact, ſuffer a diminution of one whole fifth. What will then become of that fifth of the taxed objects conſumed by them, and which they can no longer purchaſe?—It will, in my opinion, be neceſſary either to put a ſtop to the manufacturing of that fifth, and throw ſo many hands out of employment, or elſe lower the prices, yet continue to levy the tax, and then the manufacturer will complain of the burden; or, in fine, this fifth, now uſeleſs to the nation, muſt be exported, and this adds to the firſt inconvenience reſulting from the tax impoſed for the reimburſement: for, after all, if taxation operates in the manner it appears at firſt ſight to do, that is, if it diminiſhes the means of conſumption, then, by laying 1,000,000 of taxes appropriated to the liquidation of the debt, you have diminiſhed your home-conſumption, it matters not of what articles; you have diminiſhed it, and ſtill more ſo by the incapacity, to which the creditors paid off are reduced, of conſuming that which they did conſume previous to the reimburſement. Your exportation, it may be ſaid, is by ſo much

more

more increaſed, and enriched.—Granted;—but at whoſe expence? Who is to profit by it? In what manner are the returns to be made?—— When foreign trade augments in proportion to the increaſe of the produce and home-conſumption, it is eaſily conceived, that if the money imported does not exceed the proportion neceſſary to anſwer that double increaſe, the progreſſion being equal every way, each article (money among the reſt) will keep up to its value; but if the number of repreſentatives is increaſed without any addition being made to the objects repreſented, is not the price of repreſentation thereby diminiſhed? Or, in other words, if you add to the real ſtock of money in the nation, at the expence of part of your own conſumption, (which is the object in queſtion) will not the price of the other parts of that ſame conſumption riſe in ſpite of you?

Beſides, by diminiſhing, in any quantity whatever, the general maſs of home-conſumption, (and in the preſent ſuppoſition you may well think that it has decreaſed, both by the tax impoſed and the reimburſement made) have the ſums appropriated to that part of the conſumption, annihilated by you, been withdrawn from the circulation? If not, then by adding thereto the increaſe of that balance in your favour, which

which you pretend to receive from abroad, by what means can you prevent a general riſe in the prices, in proportion, not only to the quantity of that fatal money imported, but alſo to that caſh, which ought to have been buried under ground, that it might, at leaſt, only prove uſeleſs, after the home-conſumption has undergone the diminution occaſioned by the reimburſement and taxes? This is not all; the unfortunate creditors who have been paid off, already reduced from five parts of what they enjoyed, to four only, will certainly, ſoon after you ſhall have put the ſaid balance into circulation, become unable, with the *four* that remain, to purchaſe more articles than they could have procured with *three*, previous to the tax and reimburſement.

Will you pretend to ſay, that this money does not circulate within the nation? that it becomes the ſource of a new trade? and that the exporters, inſtead of over-loading *England* with that ſpecie, ſend or carry abroad the value thereof from *Spain* into *France*, *Germany*, and *Ruſſia?* —that is to ſay, after having reduced the home-conſumption, the exporters, who, rightly enough, are not willing to loſe, will contribute to extend the internal conſumption of *Spain*, *France*, *Germany*,

Germany and *Ruſſia*, and of courſe *the ways and means* of theſe different nations, as well as the produce of their taxes, in the ſame proportion as thoſe objects have decreaſed amongſt you.—Could this ſeriouſly be your intention?

But if it clearly appear, that the execution of the refunding plan would prove equally pernicious in its immediate tendency, both to the creditors who would be compelled to accept of it, and thoſe at whoſe expence it muſt be effected, what then might be the caſe, if the intereſt of that debt, which ingroſſes ſo much the public attention, being paid by *all*, were, in fact, paid by *no one*, but for ſo long a time as nature, aſſiſted by all the calculations of indviduals, may require to correct the errors of thoſe upon a larger ſcale, *made by adminiſtration, when adminiſtration is capable of making any.*

In what manner the Intereſt of the National Debt will be probably paid off.

IT is the moſt generally received and beſt reſpected opinion, that taxes ſhould in preference be laid on the articles of luxury. There is not a man poſſeſſed of the leaſt feeling and honeſty,

honeſty, who does not approve of this maxim, and whoſe wiſh has not often been that the wealthy only ſhould pay the taxes. Canting enthuſiaſts further add, that the expence and luxury of the rich, prove the ruin of the nation. Be it ſo. But when the queſtion is, to define what is luxury, in order to ſubject it to a tax, every individual exclaims, that it begins preciſely with thoſe articles which the mediocrity of his means, places above his reach. Inſtead of laying a tax on beer, would it not be better to increaſe that on hackney-coaches? ſays a porter who is ſtopped at a croſſing, by one of the above vehicles; whilſt the ſuppoſed idler who ſits in the coach, and pays for it, exclaims, at the ſight of a gilt carriage, that croſſes and ſtops his way: What! 500*l.* laid out on a ſingle article of luxury! Would it not be better to tax the owner by ſo much, and apply the produce to the maintenance of fifty poor objects during ſix months? But, my dear Sir, the manufacturing of this very carriage has maintained a far greater number. If you begin with the man who extracted from the mine, that gold, which, with indignation, you ſee glittering on the wheels; if it is not beneath you to notice the child employed in driving away the flies that might have hurt the gloſs of the varniſh when firſt laid on; and if

you

you end your liſt only with thoſe who, inſtead of horſes, dragged the carriage into the coach-houſe of that ſtately man, whoſe pomp gives you ſo much offence; would it have pleaſed you more if all thoſe hands had been paid for doing nothing? The rich man alone, ſay you, ought to pay the taxes: but it is impoſſible that they ſhould be paid by others, "*if it be true, that* "*every man, deſtitute of a capital, can pay nothing* "*but at the expence of the capitaliſt.*"

It would be a difficult matter to trace out, with exactneſs, the progreſs of the taxes; but it appears to me, that whatever be the mode of eſtabliſhing them, there is not a ſubject who does not contribute his ſhare ſooner or later, unleſs nature ſhould annul the burden, even before the claſhing of private intereſts ſhould have ſucceeded in ſettling the diviſion upon equitable principles.

The downfall of *England* was foretold at her very firſt loan. This prophecy did not deſtroy the means of funding, on a very ſolid baſis, in the year 1762, that part of the national-debt, till then unfunded. Now I would aſk the man, whom I ſhould know to be moſt intimately perſuaded of the dreadful effect that muſt be produced

duced by a debt of 64,234,595*l.* incurred from 1754 to 1762, in addition to a ſtill heavier one, contracted ſince the time when the total amount of the landed revenue was rated at 32,000,000, and the value of the lands only at 320 millions, that is to ſay, at about double the value of the whole national debt as it ſtands at preſent: I would aſk that man, I ſay, whether, between the years 1763 and 1775, he has been able to diſcover in any parts of *England*, one ſingle ſymptom of decay, either in agriculture or commerce, any diminution of public or private enjoyments, or leſs inſolence amongſt the common people, by which one may ſurely judge of the alterations which may happen in their circumſtances. This general obſervation may ſuffice to make us look on the period of 1775, as preſenting a ſtate of things, which, ſuppoſing it had been prolonged, could not have held out any alarming proſpect. Every one worked or enjoyed, and every body was paid. All this, methinks, might have continued on the ſame footing to the end of the world, without any alteration on the former or ſubſequent fortune of any one, ſuch only excepted, as induſtry, activity, imprudence, and foreſight, muſt occaſion in all countries where juſtice is blind, and has but one ſcale.

I readily

I readily acknowledge, that at that period a grievous war broke out, which did not conclude till 60 millions, nominally 100, had been added to the old debt, or, to come more directly to the point, till the nation had been loaded, or, if you pleaſe, cruſhed under the enormous weight of three additional millions intereſt to be paid annually. But in what manner will thoſe three millions, ſo heavy, ſo dreadful, affect the intereſted parties? In my judgement, it will be the ſame with this additional burden, as it has been with the ſix millions which the ſaid parties were wont to pay before the laſt war. It certainly muſt have been felt at firſt by every body, except the trading part of the nation, whoſe firſt operation ever was to add to the price of the taxed commodities, both the amount of the tax, and the benefit of the advance to the conſumer. (AND THIS IS STRICTLY CONSONANT WITH JUSTICE.) Now theſe conſumers are of two ſorts, viz. the proprietor of lands, and the proprietor of money: the latter muſt alſo be conſidered under a two-fold point of view, as a capitaliſt for himſelf, or as a dependant who receives the money from either of the two proprietors. The proprietor of money, from the nature of this inſtrument of trade, is a being merely paſſive;

twenty

twenty ſhillings, which he is paid for intereſt, can *currently* enable him to purchaſe ſuch articles only as *currently* ſell for 20 ſhillings. If the taxes had increaſed, by one tenth, the price of all the commodities which he uſed to conſume before the war of 1755, it is clear, therefore, that in 1763 he had loſt one tenth of all his *poſſible* enjoyments: I ſay poſſible; for the monied man, I ſpeak in general, ſaves enough, annually, to ſtrike an advantageous balance againſt the inconveniences *inſeparable* from his capital; I mean that progreſſive and unavoidable depreciation of money, ſo long as there will be mines opened, and taxes to diſcharge. But he can effect it with the greater eaſe, as his ſtock often returns 5 *per cent.* whilſt the capital of the landed proprietor brings him in hardly four, and often leſs.

The *dependent* proprietor of money had alſo his reſource; he, by degrees, obtained an increaſe of ſalary; (AND THIS IS STRICTLY CONSONANT WITH JUSTICE.)

Neither was the landed proprietor without his reſource: he gradually raiſed the price of his goods, and would have increaſed it to the level of the whole amount of the produce of induſtry;

duſtry; (AND THIS WOULD HAVE BEEN STRICTLY CONSONANT WITH JUSTICE.) But nature very often anticipates the execution of that very equitable meaſure, by another operation which is as infallibly the conſequence of peace, as taxes are the effect of war, ever ſince the aboliſhing of perſonal ſervice. The 10, 15, 20 millions, which government had borrowed during the war, were nothing more than a part of the capitals which in happier times might have been laid out in the improvement of cultivation and induſtry. Peace brought them back to their deſtination; an increaſe in the quantity of the produce of lands was the conſequence; and an equal increaſe in the demands of the productions of induſtry, occaſioned by the former, kept up the price of every thing, *by facilitating to the one, the means of purchaſing what the other wanted to diſpoſe of*, and by preſenting an increaſe of reſources to that increaſe of population, which as certainly reſults from peace and plenty, as mortality does from war and ſcarcity.

I now return to the three millions intereſt brought upon this nation by the laſt war; and I demand, what reaſon can prevent ſimilar effects reſulting from ſimilar cauſes?

Yet, in order to obtain a complete idea of the whole burden of this *formidable* debt, we muſt ſuppoſe that the full amount of it was contracted during the laſt war; and then we ſhall ſee how many millions of guineas it would really coſt *England* to pay off for ever the intereſt of all her ſucceſſes and miſcarriages from the beginning of this century, if the 9 millions of taxes ſhould be now eſtabliſhed in order to ſupply the intereſt of the debt of 238 millions.

It will appear hereafter, that 9 millions of taxes laid on the articles of conſumption, would increaſe, by about 14 millions, the price or nominal value of the whole produce of induſtry, rated upon ſuppoſition at 56 millions. Now it ſeems to me equally unjuſt and impoſſible, that the total amount of the produce of agriculture ſhould not thereby be increaſed in the like proportion: I beg to be allowed this ſuppoſition, until I aſſign my reaſons for it, and bring proofs ſufficiently poſitive to aſcertain the fact.

Be it ſuppoſed, then, that the collective revenue of land and induſtry do amount to 112 millions, independent of the taxes.

Let

Let us equally ſuppoſe that 40 millions ſterling, in caſh and paper currency, would be neceſſary and ſufficient for the circulation of the ſaid 112 millions.

Fourteen millions, in taxes, and in the advanced prices which muſt follow, are one eighth of 112 millions revenue, which, by the neceſſary riſe in the price of every thing, is carried to 126 millions. Now, 5 millions in caſh and paper currency, are likewiſe one eighth part of the ſuppoſed 40 millions neceſſary for home circulation.—It would then coſt *England* only 5 millions in caſh and paper, once found, to ſecure for ever, and in the moſt permanent manner, the intereſt of a debt of 238 millions, the very idea of which ſhook the firm nerves of the *Walpoles*, the *Humes*, and of the many experienced men, on whoſe authority it was no weakneſs to tremble, before inveſtigating a matter, which nobody, in my judgement, had hitherto attempted to examine.

All the operations of Nature are ſlow, gradual, imperceptible; and how is it poſſible to trace her out in her progreſs, when, in the meaſures which lead her to the general good, ſhe has recourſe only to that multitude of private

intereſts which ſeemingly tend to deſtroy it? Yet, in order that we may form ſome idea of her operations in the point in queſtion, let us execute, in an inſtant, that which ſhe would effect in half a century, if it were poſſible within that ſpace of time to incur a debt of 420 millions, without any augmentation or decreaſe taking place in the landed revenue.

Firſt Hypotheſis.

Let us ſuppoſe, that, inſtead of appropriating the capitals that have diſappeared, either to undertakings relative to agriculture and induſtry, (which would have trebled the real revenue,) or to thoſe wars, either ſucceſsful or grievous, that have left behind them only a frivolous or bitter recollection—let us ſuppoſe, I ſay, that Government ſhould have, till this day, thought of nothing but making public eſtabliſhments, and that every contributor to the public expence, being permitted at laſt to live up to the full rate of his means, ſhould find the fruit of his former privations, in a multitude of monuments, ſuch as the moſt luxuriant fancy can conceive, from the wiſeſt diſpoſal of the capitals, and of the time neceſſary to incur a national debt, the intereſt of which, added to the increaſe reſulting from the taxes, ſhould amount to 32 millions

millions, upon an aggregate revenue of 64 millions, in which agriculture and induſtry ſhould have an equal ſhare. Such, nearly, was the ſtate of the nation, under *William* and *Mary*, as we have already obſerved.

The tax laid on the produce of induſtry would double the 32 millions: this is juſt; nor can it be doubted; for there is not a manufacturer, whoſe goods or produce have juſt been taxed, but will acknowledge this truth. Beſides, the *Britiſh* Parliament avows it. What remains now, is to convince the landed proprietors, that by doubling alſo their 32 millions revenue, they injure no one whatever. It is needleſs to prove, that if they act otherwiſe, if they be only paſſive when the manufacturers are ſo juſtly active, they muſt be reduced to plough thoſe lands that acknowledge them for their lords.

Previous to the tax, the 32 millions landed revenue, uſed to coſt, annually, to the landlord and farmer, 9 or 10 millions, paid to the cultivators, and laid out in other expences. Such is the rate; nearly one third of the revenue, (See *A. Young*'s Political Arithmetic.) Before the tax, induſtry muſt have laid out amongſt

the handicraftſmen, nine or ten of her 32 millions.

By doubling, therefore, the price of labour in agriculture and induſtry, the labouring people of both, will, under the numbers 18 or 20, have what they had before under thoſe of 9 or 10; and theſe two great engines of national wealth will no ways be clogged.

As for the two *capitaliſts* in land and induſtry, it is clear that each of them will have exactly the faculty of preparing, buying, ſelling, conſuming, and ſaving, under the denomination of 30, 40, 60, &c. all that they could prepare, buy, ſell, conſume, and ſave, under that of 15, 20, 30, &c.

Before we attend to the lender, let us advert to the State; and let it be obſerved, that *in the caſe where* 20 *millions of caſh and paper currency would have ſufficed for the circulation and national tranſactions of all kinds, at a time when both revenues amounted to* 64 *millions, it is enough to find out* 20 *millions more, whenever, by the effect of taxation, thoſe ſaid revenues are raiſed from* 64 *to* 128 *millions; and from the inſtant that thoſe* 20 *millions in caſh and paper currency are obtained,*

obtained, you may flatter yourſelves to have eſtabliſhed, funded *moſt firmly and for ever, the intereſt of a national debt of* 420 *millions, the intereſt of which, would at* 5 *per cent. amount to* 21 *millions.*

It is not yet time to examine what influence ſo conſiderable a riſe, in the price of every thing, might have upon the foreign trade; but let us turn our thoughts to the intereſt of the ſtockholder, who has ſo generouſly lent his money. It will be ſaid, that he is evidently injured: *the intereſt due to him on account of his loan, was equal to two-thirds of the landed revenue: the land is mortgaged to the creditors of the ſtate: two-thirds of the neat revenue belong therefore in fact to the lender. A few years more, employed in erecting uſeful buildings, bridges, cauſeways, &c. the whole landed revenue muſt have been abſorbed, and the lender have entered into poſſeſſion.*

Such is nearly the reſult of Mr. *Hume*'s reaſoning on this pretended *mania* of ſupplying the wants of the State, by mortgaging its revenue. Let me be permitted to urge a few words in anſwer, on behalf of the landed proprietor.

Whatever uſe the ſums borrowed are put to by government, in this reſpect the nation and

the lender ſtand nearly in the ſame predicament as two individuals who ſhould have ſet up an undertaking at a joint expence: when it is completed, each of them firſt takes back his capital, before they ſhare the profits. In point of national enterpriſes, is war the object? The profit is exiſtence and glory, if the war has proved ſucceſsful. Are public eſtabliſhments in proſpect? Then the lender ſhares in their utility and comfort. Has the employing of the capital been productive neither of glory, nor public eſtabliſhments? In a word, is the State reduced to its primary and bare exiſtence? The capital lent will not, at leaſt, be loſt to the lender, *if adminiſtration think fit to obſerve how little it coſts to be juſt*; and the lender, on his part, will reflect, that he ſhould not have been a greater gainer, had he buried his treaſure during the time of national diſtreſs; and that, had he lent it to individuals, he might have loſt it entirely.

What I have juſt ſaid, will, I think, ſuffice to refute the extravagant pretenſions which Mr. *Hume* is pleaſed to ſuppoſe in the lender. What I ſhall add, will alſo be ſufficient, I hope, to quiet the ſcrupulous minds of thoſe who might entertain ſome doubts on the injuſtice of deſpoiling

deſpoiling the landed proprietor; I mean, the injuſtice of any kind of ſpoliation, but that which may be the conſequence of his own extravagance.

That man who gives up his land for the annual quit-rent of a quarter of wheat, and two ſhillings when the wheat was at four ſhillings only, ſuppoſed he had entitled himſelf and his heirs to an income of a quarter and a half of wheat; yet his repreſentatives enjoy, at this day, only one quarter, and the 18th or 20th part of another.—Will theſe inſiſt, that the meaning of the landlord having been to ſecure, and that of the tenant to grant, ſuch a portion of the landed revenue, as might be at all times equal to a quarter and a half of wheat, it is unjuſt to act in direct oppoſition to the intention of the contracting parties? This objection would appear very forcible, and yet would go no further than to prove, that, when a proprietor gives up his land for an annual conſideration, he ought to ſtipulate that it ſhould be paid in kind, if he means to keep up to the ſame income; if not, the landlord muſt be referred to the terms of his contract.

The ſtate-creditor ſtands in a far more diſagreeable predicament; he cannot even ſuppoſe,

poſe, on his part, an intention hoſtile to the general good. Whoever lends to the State, knows that the latter cannot pay the intereſt it ſubmits to, but by taxes, which, in the long-run, affect every thing alike; and that one muſt ceaſe to be a conſumer, if he would forbear coming in for his ſhare. Now, whilſt the exigency of the State requires freſh loans, and courſe additional taxes, whoever advances of the ſtock, the intereſt of which is paid by means of thoſe very taxes, cannot entertain any hopes of avoiding their effect, unleſs it be for a ſhort period, which depends entirely on the adopted ſcheme of finance. Some of theſe ſchemes extend, others ſhorten the round ſuch taxes muſt go through, before the burden falls equally on every ſhoulder, *and becomes null by its univerſality*. I ſay *null*, all injuſtice ſet aſide, which is inſeparable from ſome ſorts of taxes, of which I ſhall ſpeak hereafter; but, I add, *ſtrictly null*, even in regard to the lender, although the price of every article be raiſed, whilſt his revenue alone continues on the ſame ſtandard. And I ground my opinion on the following reaſon, which appears to me unanſwerable: The difference between the intereſt of money, and that of landed property, is always a ſufficient indemnity to the monied man

man for the riſe, occaſioned by the taxes, on the prices of the produce of land and induſtry; but *nothing can compenſate the landed proprietor for that pretended increaſe of wealth called Money, or that ſuppoſed poverty known by the name of Taxes, but a proportionable increaſe in the price of his goods**. A word more on the lender. One may take the part of that important individual, who accumulates thoſe ſavings by which the State is to profit. It is allowed, I ſay, to ſupport ſuch a man even againſt the State, when the State attempts to reduce him by an uſeleſs reimburſement, by an *unnatural* operation; but he

* This idea is the more to be attended to, as, ſuppoſing it were poſſible that an increaſe of coin, within the nation, ſhould enhance the produce of induſtry alone, the landed proprietors would certainly be obliged to petition for an act of parliament, *prohibiting the importation of bullion, for fear it ſhould be turned into coin*; juſt as they would be obliged to pray for a tax on the productions of the earth, if none but the taxed articles were to increaſe in price.—We now petition againſt taxes; we ſhould then pray to be taxed. This would be no bad ſubject for a Comedy, if attempted by a writer who would handle it properly. I hope the labouring man would be allotted a very buſtling part; that is, he would engroſs the beſt wiſhes of all good men, and command the attention of all thoſe who do not think themſelves entitled to that appellation.

he ſhould be aſſigned his real rank in the State, that he may not complain of the *natural* reductions. In this caſe, I think, we ſhould be more juſt, more humane, and more equitable, than Mr. *Hume*, when, in the continuation of the ſcheme of national loans, he offers to the poſterity of the preſent owners of landed eſtates, no other proſpect than that of ſerving, as coachmen, the deſcendents of their footmen, and no other means of averting the prophecy—but *a bankruptcy*. (*Vide Hume's Public Credit*, Eſſay IX.)

Reflections on the two foregoing Articles.

IF it were very true, though upon the firſt bluſh rather ſtrange, that after an operation ſo ſimple as that of increaſing the price of the whole maſs of commodities, or rather ſuffering it *naturally to increaſe*, in proportion as the taxes and the effects produced by them enhance the price of all the products of induſtry, which are to bear thoſe taxes—were it true, I ſay, that after ſo plain, ſo ſimple an operation, it would ſuffice, in order to ſecure for ever, in the moſt efficacious manner, the payment of the intereſt on any given national debt whatever, to find, *once for all*, in caſh and paper, a ſum which would exactly be, to the maſs

maſs of the ſpecie and paper already in circulation, as the intereſt of the debt, and the reactions of which I ſhall ſpeak in the ſequel, are to the maſs of the two revenues—were it equally true, that thoſe who are to be paid that intereſt, ſhould, *after theſe two previous data*, have nothing in the world to dread but the reimburſement of a principal, the intereſt of which ſhould appear ſo oddly ſecured, it would then be impoſſible not to confeſs, that *England* has hitherto been a prey to great uneaſineſs, with very little foundation.

It would then be neceſſary to conclude, that all other nations were greatly in the wrong to think that *England* had any reaſon to be alarmed.

It muſt, in this caſe alſo, be acknowledged, that *France*, in 1720, very unreaſonably cut aſunder the *Gordian* knot of her difficulties, by declaring in ſubſtance that ſhe owed no longer 15 millions *Tournois* of the debts which ſhe had contracted; ſince, without ſo barbarouſly cutting the knot, and thereby effecting the ruin of thouſands of wretched beings, ſhe would have ſecured their fortune by impoſing without mercy, or rather with judgement, a tax of 75 millions

millions on all the produce of induſtry, which this tax would not have raiſed by one twentieth part; whilſt an *Arrêt* from the council, permitting *then* the exportation of grain, which was not allowed till 50 years after, would have proved more than ſufficient to enhance, as it muſt have done, the price of commodities, in order to make amends to the landed proprietors for the increaſe which they would have found in the products of induſtry.

Above all, it would be neceſſary to admit, that no miniſter, in any country, could, for the future, without a horrid perverſeneſs, without a want of judgement bordering upon inſanity, propoſe, neither all together nor ſeparately, expedients as ſhameful as they would prove uſeleſs; and that no individual could hereafter dread ſuch meaſures, without being guilty of folly. What a ſecurity, then, for the Subject! what an advantage to the State! what a *facility* for Adminiſtration!

Under this point of view, the idea I ſtart deſerves to be examined; but I once more entreat the reader not to pronounce finally upon it, until it has undergone the full expoſition which I propoſe to give it. Nor ſhall I think I have

have written in vain, if I ſucceed only in making it appear ſo feaſible, as to induce ſome abler hand more deeply to inveſtigate it. Where is the man who would not wiſh to find it true? where is the man who could have an intereſt in finding it otherwiſe? I confeſs, perhaps to my ſhame, that it has engroſſed my attention for a long ſeries of years; I apply it to every thing, I ſquare it with every thing; and the more I conſider it under all the ſuppoſitions which my fancy ſuggeſts, the more I compare theſe ſuppoſitions with all the facts which it is poſſible to aſcertain, and which ſeem to bear any relation to the ſubject, the more am I convinced, not only that the matter ſtands thus, but even that it is impoſſible it ſhould be otherwiſe.

In fact, if I return to *Great-Britain*—

It would be abſurd to ſuppoſe, that the taxes neceſſary to diſcharge the debt incurred during the late war, exceed the twentieth part of the value of the products both of foreign and national induſtry, conſumed within the country. In this caſe, is it not impoſſible that the additional tax of a twentieth, in whatever manner it may be aſſeſſed on the maſs of thoſe products, ſhould not enhance, by a twentieth, the value of

of this very maſs? Let us call it a fifteenth, all kind of reaction included.

Is it not impoſſible that this additional fifteenth on the price of the products of induſtry, be not followed, ſooner or later, by an equal augmentation on the productions of the earth, unleſs the proprietors of land ſhould ſubmit to diminiſh, by one fifteenth, their own conſumption,—the home conſumption (*the only one that ſecures the proſperity of the State*) and diminiſh it, in order to increaſe, by ſo much, the exportation, according to the ideas commonly adopted; which would be as contrary to the facts that I ſhall adduce hereafter, as it would prove hoſtile to the intereſt of the State, to the intereſt of the proprietors, and would operate in direct oppoſition to the ſpirit of the tax, *which is certainly to produce its own amount, without taking the trouble, every year, of going in ſearch of it to* Liſbon.

Is it not impoſſible that the augmentation of one fifteenth, upon the price of every produce in circulation, ſhould require any thing above an additional fifteenth, in the ſums which had been hitherto ſufficient for *brokerage*, and the tranſports of all kinds of property?

Is

Is it not impoſſible that this fifteenth, both in new ſpecie and paper currency, once obtained, the intereſt of the latter part of the debt ſhould not be very firmly eſtabliſhed, *funded*, without any one being the worſe for it, *if the price of labour increaſes like that of its produce?*

Such, I repeat it, ſuch will be, in the laſt analyſis, the reſult of the underworkings of nature; of nature, ever more ſlow, but ever more ſkilful in repairing evil than men are in creating it; of nature, who, as good at all times as the bread which ſhe breaks to her children, fills up without intermiſſion, inceſſantly levels, behind them, and unknown to them, whilſt they are amuſing themſelves or playing tricks upon each other, all thoſe little furrows which they imagine will be left to the care of their poſterity.

Some one, no doubt, will exclaim againſt this additional fifteenth upon the prices of every commodity; an augmentation which I have repreſented as the only remaining trace of a war, which, for five years, attracted in both hemiſpheres, the eyes of all whoſe brains were not heated by it. I ſhall grant therefore that it was neceſſary to add thereto,

Firſt, the trifling difference which muſt reſult from the impoſſibility of a thorough good underſtanding between the intereſted parties, together with the intention, not very liberal, but natural enough to each of them, of gaining more than they can loſe.

Secondly, the difference, perhaps more ſenſible, which muſt follow the method ſo much boaſted, of taxing in preference, thoſe objects which are conſumed by the rich; as if it were poſſible to apply to any object, an extraordinary portion of a given revenue, without taking off that very portion from ſome other article, the conſumption of *which is equally neceſſary to the ſubſiſtence of artizans of another kind.*

Thirdly, and in fine, the far more conſiderable difference which muſt be produced, *eſpecially in England*, by another kind of taxation, of which I ſhall ſpeak hereafter.

Nothing contributes ſo much to render a queſtion undeterminable, as to perplex it with a multitude of acceſſaries, each of which would require a ſeparate diſſertation; conſequently, nothing can render the ſolution eaſier than to reduce it to the ſmalleſt compaſs. Some other perſon will, no doubt, do much better,

ter, what I can do only according to the extent of my abilities; nor did ever an author peruſe his own work with more pleaſure than I ſhall read the production of any one who ſhall throw the light of evidence where I can only form ſurmiſes. But if it be true, that after a ſhort ſpace of time, without any other aſſiſtance than the natural claſhing of one intereſt with another, taxes, *judiciouſly laid*, are hurtful neither to individuals nor to the State,—would it not be better to labour with care to *lay them judiciouſly*, than to think of a reimburſement, the only effect of which will be to diminiſh, for a ſhort time, amongſt ſome individuals, the power of paying thoſe very taxes?

I beg permiſſion to add a word more on this fatal reimburſement.

A Thought ſubſtituted to that of a Reimburſement.

TO write in *England*, nay, to write with obſtinacy againſt the plan of a reimburſement, the neceſſity of which is acknowledged by the whole nation, who expect wonders from its execution;

to write, for the purpoſe of perſuading that ſuch a ſtep would equally militate againſt the intereſt of the State, and that of the ſubject; and eſpecially to hazard ſuch viſionary ideas at the moment when *France*, ſo clear-ſighted on her own intereſts, is herſelf buſy in effecting a like reimburſement. . . . . muſt ſurely be the attempt of a man hired by the *French*, to excite, if poſſible, ſome ferment in thoſe heads which are all wound up to calculation; and to raiſe, during the little time the calculations will require, ſome plauſible doubts, in order at leaſt to delay the effect of ſo ſalutary, ſo eſſential an operation; for, *France* is ſo intereſted in the ruin of *England*, that ſhe ought to ſpare no means to ſtop her, were it but for an inſtant, at that point which it has not been poſſible to prevent her from attaining.

On the other hand, to write in *French*, and endeavour to introduce into *France*, a pamphlet in which the author does not profeſs himſelf an admirer of a reimburſement, the poſſibility of which, now clearly demonſtrated, has excited there a general enthuſiaſm, a kind of rapture the more excuſable, as the moſt evident diſorder in all parts of the finances, during the ſpace of 80 years, did not permit even the humane and

and ſenſible mind to form a ſingle wiſh for that very meaſure of which the execution is ſo certain, and the advantages pretended to be ſo poſitive . . . It is ſuing with impudence for the good graces of a nation, to which I have, as it were, been turned over by the ceſſion made to it of the country where my fortune lies: it is ridiculouſly flattering myſelf that I ſhall juſtify by a *trait* of unbridled licence, the title of *Engliſhman*, conferred on me by the treaty of peace.

It is certain, that more than once a man has been moſt ſecretly accuſed, tried with the greateſt expedition, condemned without being heard, and puniſhed with mercileſs ſeverity, in conſequence of charges much leſs ſpecious than the above; for I confeſs that there is a faint glimmer of plauſibility in the heads of accuſation which I have brought. But, in the end, juſtice muſt be done; and, thank heaven, my preſent trial is on the very firſt inſtance, brought to its laſt ſtage; the public ſhall be my judge; they ſhall be put in poſſeſſion of all the documents relating to the trial; and I preſume to hope, that no one of thoſe who ſhall be able to bear the peruſal of them, will ſuſpect my ſincerity when I proteſt, that, without any other motive but that

which has at all times invariably guided me through life, I would burn this paper, if I could find therein a ſingle word that might be hurtful to *France*—I would burn it, were I to find therein a ſingle word that might be hurtful to *England*—I would burn it, were I to find therein a ſingle word that might give offence to any individual of either of the two kingdoms.—But I freely own, that my ambition would be far from receiving its full gratification, were this work to prove uſeful only to thoſe two parts of the world, however brilliant the part they act therein.—URBI ET ORBI.—*Shakeſpear* ſays that the Warrior ſeeks "the bubble *glory* "in the cannon's mouth:" a man who preſumes to think, looks for it in the bottom of his inkſtand: their hope is not always crowned with ſucceſs; nay, very often, the one meets only death, and the other contempt. Yet there are ſome lucky chances: ſometimes the former ſaves his country, the latter is ſometimes ſerviceable to all mankind.

Be it as it may, I intreat the reader to obſerve, that the principles I lay down do not tend, by any means, to leſſen the public credit, to ſpread any doubt on the faculties which *France* and

and *England* have of effecting the reimburſement which both theſe nations have in contemplation; I maintain, on the contrary, with the ſimplicity of a *child*, that it is a *childiſh play*, for the one as well as for the other. I ſay, that the one who appears the moſt diſtreſſed of the two, and is the moſt taken up with her pretended diſtreſs, has only to take from the *pocket* of one, what he will be very *averſe to give*, and put it into the *hands* of another, who will be equally *averſe to receive*. I ſay, with reſpect to the nation, which *now* acts the moſt brilliant part, that all ſhe has to do, is to give, to thoſe who do not aſk for it, a ſum of money which ſhe receives, and has no occaſion for; *to give it*, I ſay, for fear of being ſolicited, importuned, and teazed, to make a bad uſe of it, or elſe be obliged to hoard it up, to the very great detriment of circulation. I ſhall add now, that a buſineſs, which to me, does not appear a *childiſh* one, but really that of a man, would be to examine, whether the 40 or 50 millions of livres annuity, which are about to expire by degrees in *France*, and the million, or million and half ſterling of taxes to be levied in *England*, over and above the ſum neceſſary to pay the intereſt of the national debt, and other ſtate expenditures, will be better employed in the diminution of ſome private revenue than in

the increaſe of the general wealth in both States; that is to ſay, whether it is moſt advantageous to pay off the creditors, who, by ſuch a reimburſement, will be compelled to place at 4 and at 3, what brought them in 5 and 4 *per cent.* than to lay out the money, for the purpoſe of increaſing, perhaps by one fourth, the products of agriculture and induſtry, by a faithful and judicious repartition of thoſe ſums upon the cultivation of ſome millions of acres, which now yield nothing but brambles, or yield only the half of what they ought to produce.—How many of this deſcription are to be found both in *England* and *France!* —— This is not all: how many kinds of taxes, the effects of which have not been ſufficiently ſearched into! How many more, whoſe pernicious conſequences are fully known! How many more, the levying of which can be juſtified only by reaſon of their produce being wanted, or by *the ſuppoſed* impoſſibility of a commutation!—Ought the State to reimburſe, before thoſe have been ſcrutinized, theſe repealed, and all commuted which ſhall appear evidently to militate againſt ſound principles?

The great art does not conſiſt in finding, at pleaſure, one million ſterling more in *France* as well as in *England*, or *vice verſâ*. Heavens! what

what kind of miniſter would that man be, whoſe genius could not diſcover, in either kingdom, in the multitude of objects truly ſuſceptible of taxation, a number of articles capable of furniſhing that million annually, without injuring the general conſumption, beyond the firſt year at the worſt? The only difference which, in this reſpect, I might point out between the two nations, is, that in *France* the impoſt would be regiſtered, and paid after the uſual remonſtrances; and that in *England*, were the tax to have been deviſed, even by Supreme Wiſdom, on the actual ſyſtem, all thoſe who might think themſelves directly or indirectly intereſted in the operation of the tax, would not fail to clamour as loud as poſſible, and not without reaſon; for, after all, if the objects taxed, are equitably taxed, and in a due proportion with all the reſt, why, out of 160 objects and upwards, already charged with equity, ſhould *ten* be picked out to be overloaded with a new burden? — Has at leaſt a rotation been eſtabliſhed for the future?—On what principles? Or does it evidently appear that there can be no fixed one adopted on ſo important a matter?—If a tax is offered to be laid on ſuch articles as have paid none hitherto, then *Oppoſition* ſtands on firmer ground; for, are not thoſe objects, by their nature, evidently as ſacred as the ark of the Lord? Did ever the leaſt ſcrupulous,

pulous, the boldeſt Miniſter of the finances, dare, to this day, to lay his hand upon it?—Would he have reſpected it, if he had not trembled for his head; that is, in plain *Engliſh*, for his place? For, thank Heaven, there is no neceſſity, now, for the *Engliſh* to be more hot-headed than any other nation in *Europe*. It is generally acknowledged among themſelves, with true *Engliſh ſang-froid*, that, on the part of thoſe champions of patriotiſm, who, according to the intereſt of the day, charge each other by turns with ſelling the people, and betraying the SACRED *conſtitution*, all terminates now in the moſt exact change of admirable ſarcaſms, and exquiſite railleries. The pleaſure of being a Miniſter becauſe *the miniſter alone can do what is good*, and the concern at not being a Miniſter, *becauſe the miniſter alone can do what is good*, are now productive of nothing more in *England*; and the People, as well as the King, are not worſe ſerved for it, nor are they worſe informed: witneſs the ſpeeches on both ſides.

Amongſt the queſtions which I have mentioned, and many others always appropriated to the ſubject, there are ſome ſufficiently weighty to puzzle, in *England* as well as in *France*, the reſpondent who ſhould be obliged, before a tax is laid, to anſwer them in a *ſatisfactory* manner.

Luckily,

Luckily, as I have already mentioned, in *France*, thanks to the monarchical conſtitution, the King *commands*, the Parliament remonſtrates, regiſters, and the People pay: and, as is known to all the world, thanks to the free conſtitution of *England*, there the King *demands*, the parliament debates, grants, and the People pay. With that facility which exiſts every where, of doing what is not palpably abſurd, I think it might be poſſible now, without bringing credit or authority in queſtion, to renounce the little vanity of deviſing a productive tax; and that a man of common abilities ought to confine himſelf to the eſtabliſhing or maintaining order and clearneſs in the accounts, to the diminution of expences in collecting the revenues, and to fidelity in the uſe of them.—But the true, the unacquired glory to be obtained by a financier, would be, I think, to hit upon a ſimple ſcheme, the application of which might be obvious in all caſes, a ſcheme productive of no fruitleſs evil, permitting all poſſible good, and which might, by degrees, be ſubſtituted to thoſe vague taxations, to thoſe *taxations* founded on falſe principles, to thoſe wild notions, which, by adding *five* to an article not worth *three*, raiſe nevertheleſs that object to *eight*, and leave the trader at liberty to ſell that for *fifteen*, which he ſold formerly at *four*. It is true that, on the firſt exigency

exigency of the State, they pretend to remedy the abuſe by an additional tax called *licence*, or by any other name which anſwers the ſame purpoſe, and compels the peculator to refund part of his extortion. But what does this licence come to, after all ?—*To ſell to a man the right of ranſoming more ſeverely the public, after having previouſly furniſhed him with the means and pretence for doing it.*

No one doubts, in *England*, but that the ſyſtem of *French* taxation is a very bad one; nothing ſo ſelf-evident as the reaſons adduced in proof; every thinking man in *France* approves of thoſe reaſons:—but does it clearly appear, that in *England* ſome parts of that ſyſtem are not adopted ?—Is it not true, on the contrary, that it has prevailed, for a long time, in one point truly eſſential, in regard to which they have but diminiſhed its inconveniencies, without thinking perhaps of the injuſtice, which is as inſeparable from it, as it is from thoſe wherein it appears more evidently ?—The advantage of taxing the conſumption is generally acknowledged; it is as generally believed that the way of bringing this ſyſtem to perfection is by taxing, above all, *the conſumption of the rich*:—yet, were it to happen that the

the poor ſhould be more injured, and that for a longer time, by a natural effect of the very operation deviſed for their releaſe, than he could be aggrieved if nothing ſhould eſcape the tax. . . . .

I ſhall venture to throw out ſome thoughts on theſe different objects, after I have examined whether the neceſſity of a balance of trade, conſtantly favourable, be not as doubtful as that of a reimburſement, and a bankruptcy; and whether that balance is really ſuch as many people imagine it.

General Balance of Trade in England.

WHEN the proprietor of a conſiderable ſum in the *Engliſh* funds examines Sir *Charles Whitworth*'s truly valuable work, *State of the Trade of Great-Britain*; he thanks his ſtars, and ſays, "I have nothing to fear whilſt the balance of "trade continues in favour of this kingdom; "but the moment it ſhall turn againſt her, re-"courſe muſt inevitably be had to the expedient "ſo long poſtponed: the application of the *ſponge* "is inevitable."—

I have perhaps already ſaid enough to animate the greater part of thoſe, who are concerned in the

the public funds of every enlightened nation, againſt every other fear but that of a reimburſement; but, as it may be believed, with regard to the public funds in *England*, that I have reaſoned on the ſuppoſition, generally admitted, of that balance in their favour, of which the *Engliſh* are ſo jealous, I would wiſh doubly to ſtrengthen the mind of the parties concerned, by proving to them that their fortune reſts on a baſis much more ſolid than that of a pretended *favour*, which the private intereſt of every merchant, vigilantly repels, whilſt the fancy of the body at large happily confines them to believe in the idol, and to invoke it.

I am indebted to the details contained in Sir *Charles Whitworth*'s work, for the advantage of applying to real facts, many reflexions which I had digeſted before I had read that work; but I was, till then, reaſoning on *hypotheſes*; I now reaſon on what ſo nearly approaches reality, that it is neceſſary to controvert my arguments, inſtead of conſigning their foundation to the ſyſtem of chimeras.

By means of that valuable work, I ſee, from the year 1700 to 1775, and that in the greateſt detail, ſtrengthened by all the proofs that the nature

nature of the ſubject can admit of, a conſtant ſuperiority of exports, which, in the ſpace of 75 years, amounts to the enormous ſum of 267,774,769 *l.* (I have overlooked the fractions of each article.) This is, in the total amount, much more than one half of the gold and ſilver imported into *Europe* from *America*, during the ſame lapſe of time; but, of this period of 75 years, 30 muſt be attended to, wherein the ſuperiority of *Engliſh* exports comes up very nearly to five-ſixths of the general importation of thoſe two precious metals, *which were to make good ſo many other balances*. We ſhould alſo obſerve, amongſt thoſe years, a moſt flouriſhing one, wherein that *Engliſh favour* abſorbs, as it were, all the ſilver imported into *Europe*; and five other years ſtill more wonderful, where it ſurpaſſes that general importation by 10, 12, and even 1300,000 *l.*; for, in 1750 the general exportation of *Engliſh* goods exceeded the importation of foreign produce, by 7,359,964 *l.* and yet all that product of the *mines*, belonging to *Spain* and *Portugal*, is eſtimated only at 6,000,000 *l.* ſterling *per annum*.

I ſhall ſuppoſe, for a moment, that, during the ſpace of time I have juſt mentioned, the balance of trade did, in reality, produce to *England* an

an importation of money, to the amount of 267,774,769 *l.* (for the reports of the Cuſtom-Houſe, as ſtated by Sir *Charles Whitworth*, brought in as a proof of that pretended, uninterrupted balance, in *favour* of the nation, mean what I have ſaid, or mean nothing at all, in regard to this matter; they do not prove one penny if they do not prove the whole ſum). It is true that, according to the ſame reports, we muſt deduct for the money exported from *England*, during the courſe of thoſe 75 years, about 105 millions, by which the nation at leaſt got rid of a ſurplus which would have ſtrangely diſparaged the price of that which was preſerved in the country: but is it very certain that the 162,774,969 *l.* the precious *nett* of the pretended balance, was actually preſerved? This appears to me impoſſible, for the following reaſons, which may perhaps furniſh us with the means of knowing, preciſely enough, in what the true balance conſiſts.

Since the beginning of this century, the real and nominal value of the revenue in the other parts of *Europe*, has doubled, as well as in *England*. Now this augmentation, in the products and prices, has required, every where, a proportionable increaſe of the means of circulation; and

Spain

Spain and *Portugal* are nearly the only two ſources from whence that increaſe of means could be procured.

In the ſuppoſition that the revenue of *England* conſtitutes one tenth of that of *Europe* (it is a great deal), the other nations compoſing that part of the world were of courſe obliged to endeavour to ſecure the nine tenths of the money neceſſary for their own circulation; and their ſucceſs in this is the leſs queſtionable, as, in caſe any one of them ſhould be ſhort of money for the circulation of its property, the *Engliſh* themſelves would eagerly ſupply that part of the precious balance, which it might want, becauſe, in this caſe, the importation of money into ſuch country would prove more profitable than an importation of freſh goods, whilſt the old ones, carried there already, waited for money to circulate them. Hence it may be concluded, that the *Engliſh* never had, or at leaſt have not preſerved, more than their tenth, twelfth, or rather, more than their natural portion in that abſolute maſs of gold and ſilver neceſſary to the circulation.

I ſhall now ſay, that it is not even probable that they have preſerved that *quota*, neceſſary every where elſe for the circulation of a

revenue ſimilar to theirs, becauſe *England* is, of all known nations, the one where the circulation of property of all kinds, requires a leſs quantity of real caſh: the mercileſs ſeverity of the laws againſt debtors, the general credit which it encourages, the uſe and indubitable value of paper currency, which are derived equally from both, are three objects which, in this reſpect, ſet *England* far above *par*, in compariſon with all the other nations who have neglected to ſecure to themſelves the ſame advantages.

Might we not further ſay, that *England* evidently has not thought proper to get that *quota*, which ſhe might have claimed, ſince one third, and perhaps half of her circulation, is effected by paper-money with more diſpatch, with more facility, and with as much ſolidity as if it were effected by caſh?

It will be aſked, perhaps, if I pretend to infer at laſt, that the exportation has not been ſo conſiderable as it ought to be ſuppoſed from the ſtatements of Sir *Charles Whitworth?* I ſhall anſwer to this, as to many other queries; it may now be ſeen that a few millions more or leſs, are a matter of perfect indifference, in regard to my main object. The exportation from *England* is

clearly

clearly prodigious; its immenſity is proved by that of the tonnage of the ſhipping employed for her trade, 775,624 tons in the years 1771, 1772, and 1773, (ſee *Chalmers*'s *Eſtimate*); this point is eſtabliſhed beyond all equivocation. What I refuſe therefore to the imagination of the trader, is ſolely what appears to me chimerical and uſeleſs in that favourable balance of money; and this *I refuſe*, becauſe I cannot poſſibly but acknowledge, that every trader has too much good ſenſe to act againſt the general intereſt of trade, when ſuch operation muſt, at the ſame time, prove contrary to his own intereſt. Nay, is much more than plain inſtinct wanted, not to import money which yields a very trifling benefit when there is no demand for it, whilſt one may take up foreign goods, on which there is a certain gain of 10 or 12 *per cent.* becauſe they are eagerly ſought after? and when, beſides, the nation, on a certainty, will not finally pay for them but with national goods, ſince ſhe has no mines of her own? I muſt obſerve, indeed, that this very trader, guilty of ſuch an act of *impatriotiſm*, of this national crime of importing merchandize inſtead of gold and ſilver, cries up, as loud as any other, *the neceſſity of ſtriking a favourable balance*; but private wiſdom gets the better of public folly; every one imports ſuch

goods as he is in hopes to ſell to advantage, and leaves to his neighbour the care of importing that *favour* on which no profit can be got.

What is then the quantity of bullion really imported every year into *England?*

It is inconteſtably, in the firſt place, ſo much of it as is neceſſary to anſwer the progreſſive increaſe of the prices and products, both of the land and induſtry; the bank-notes cannot ſuffice to that augmentation, but in their ordinary proportion to the real ſpecie in circulation; all ſupplement of bank-notes, which in the needful hour exceeds that proportion, muſt ſoon be replaced by real ſpecie; on this exactneſs ſtand the credit of the Bank, and the vaſt advantage accruing therefrom to the public, and to the State; but from thence alſo reſults a greater inutility of accumulating money before it is wanted.

It is, in the ſecond place, all the bullion neceſſary for the labouring gold and ſilver-ſmiths, from the firſt gold-ſmith in *London* to the laſt plated-button maker at *Birmingham*.

It is, thirdly, all that importation which is required to make good the *deficit* occaſioned by

by petty ſtock-jobbing, and the melting down of guineas, which no workman will ever ſcruple, when there will be a few more pence to be got that way, than by the purchaſe of bullion, or as often as, having no bullion at hand, he ſhall find himſelf in the immediate neceſſity of working.

It is, fourthly, all that which is wanted to replace the few guineas carried away annually from *England* by travellers, ſmugglers, or by means of ſome inferior tranſactions in trade, and which cannot always be exactly balanced by the contraband trade carried on elſewhere by the nation.

Ever ſince the *Engliſh* have acquired the immenſe landed revenue which they poſſeſs in the *Eaſt-Indies*, it is probable they do not carry there ſo much money; yet ſome muſt be ſent there. The above five articles are the only ones I know of, which may render neceſſary an annual importation of money. The firſt of thoſe articles is abſolutely independent of the caprice of any one; it is always ſubſervient to the quantity of effects to be put into circulation, as well as to their price; and can at no time deprive the other parts of *Europe* of their ſhare in the mines of *America*. The third and fourth are in a manner included in the firſt; nor can they, when viewed

ſeparately, be very conſiderable: The ſecond alone is truly prodigious, but is likewiſe ſubſervient to the demands of that very ſilver when wrought, that is to ſay, converted into ſome articles of luxury: But it is neceſſary to obſerve, in regard to this, that great care is taken to find out purchaſers for that metal thus improved by the hands of the workman, not only in *England*, but wherever people can poſſibly be found willing to take from her, that part of the precious balance, which ſhe had taken upon herſelf, only in hopes of getting rid of it.

This I think is ſufficient to demonſtrate the impoſſibility of that pretended *favourable balance*, amounting, in the ſpace of 75 years, to 162,774,769*l.* the exiſtence of which many people imagine to be real, from the ſtatements of Sir *Charles Whithworth:* for, if they would confine themſelves to ſay, that, in the courſe of 75 years, *England* has profited in trade to the amount of 162,774,769*l.* I have proved much more, ſince I proved (p. 17 to 22) that all the benefits which have accrued, and might now be ſpent, form together a ſolid maſs of clear and palpable ſavings; and that this maſs would now be, without doubt, 332 millions, inſtead of 162, had the 180 millions, lent by the

the ſubjects to government, and ſwallowed up by the war, been laid out in the improvement of lands and induſtry.

As to the inference that might be drawn from the apparent exportation of 105 millions of money, during the ſame period, according to the above ſtatement, it is alſo neceſſary to make an obſervation on this matter.

In any grand mercantile operation, where prompt and certain remittances are required, be the motive of ſuch operations what it may; if there goes out of *England*, we ſhall ſuppoſe, 400,000*l.* in bullion, this very ſame bullion, after the bargain is ſtruck and fulfilled, either in goods or in bills of exchange, comes back to *London*, to reſume if neceſſary, the ſame courſe three weeks afterwards: For the ſpace of 40 years, therefore, the ſame ſum may an hundred times be placed in the catalogue of exports, and perfectly anſwer to a capital of 40 millions, the place of which it has really ſupplied: This is a well-known reſource; nothing then can be concluded in regard to the 105 millions of bullion exported, according to Sir *Charles*, but, that there ever has been, and probably ever will be, in *England*, all the bullion neceſ-

ſary to anſwer the exigencies of the moſt unforeſeen and extraordinary negociations of all kinds, and induſtry enough to recall in time, that bullion which had only been given as a pledge. It is like a jewel worth 100,000 crowns, which, for the ſpace of 20 years, is ſaid to have paſſed ten times backwards and forwards from *Paris* to *Amſterdam*, but finally remained at *Amſterdam*, by a reaſon contrary to that which keeps up the commercial ſhuttle between *England* and *Holland*.

In order to come as cloſe to the point as it is neceſſary, on a matter, beſides, of which it is equally uſeleſs and impoſſible to obtain an exact knowledge, here follow ſome facts, the eſſential reſults of which by no means depend on more or leſs exaggeration in the expoſition either of the ſale, or of the credit.

The period from 1764 to 1773, muſt be allowed to have been the moſt flouriſhing era of *Great Britain*. During thoſe ten years the exportation of *Engliſh* merchandiſes into *Spain*, has exceeded the importations from *Spain* into *England*, by 5,095,998*l*. In the ſame ſpace of time, the balance of trade between *England* and *Portugal* has been 3,274,133*l*. in favour of the former. The two *favours* united, amount

all

all together to 8,370,131*l*; add thereto the *favourable balances* of *Madeira*, and the *Canary* Iſlands, paid probably in *Spain* and *Portugal*, amounting, in the ſame ſpace of time, to 516,863*l*.—the total preſents us with the aggregate ſum of 8,886,994*l*. which, divided by 10 years, proves an annual balance, *in favour* of *England*, of 888,699*l*. real money.

The light of probability now begins to dawn upon me: at leaſt I here find myſelf at the ſource of money; and, as I know, firſt, that *England* muſt abſolutely be provided with a certain quantity of it, whatever that quantity may be, for the five articles before mentioned:

Secondly, That ſhe exports, of her own goods, fifteen times as much as ſhe need to do for that purpoſe:

Thirdly, That gold and ſilver are to *Spain* and *Portugal*, what wines are to *France*, ſilks to *Piedmont*, hemp and timber to *Ruſſia*; and that, in order to procure thoſe different articles at the eaſieſt rates, they muſt be fetched from *France*, *Piedmont*, and *Ruſſia*:

Fourthly and laſtly, that *Spain* and *Portugal* ſtand

ſtand exactly in the ſame need of making away with the ſurplus of their gold and ſilver, as *England* does of acquiring it, by getting rid of a ſurplus of her manufactures: I cannot therefore entertain the leaſt doubt, but that it is at *Cadiz* and *Liſbon* that *England* procures all that gold and ſilver which is indiſpenſably wanted for the five operations ſpoken of; and I muſt poſitively conclude, that there ſhe has taken the whole quantity which ſhe had occaſion for; but I as poſitively conclude, that ſhe took up only ſo much of it as was wanted, when I ſee that it depended entirely upon her to take more, and that ſhe has not done it: A deciſive point, which I cannot by any means call in queſtion, when I have convinced myſelf, by Sir *Charles Whitworth*'s ſtatements, that this ſum of 888,699*l.* which *England*, if ſo diſpoſed, might have procured annually during the ten years above mentioned, is no more than the balance of 1,785,826*l.* in goods exported there, one year with another, during the ſame ſpace of time:—For, after all, why ſhould not *England* have taken *in money* the amount of 897,157*l.* of *Spaniſh* and *Portugueſe* goods, taken by her ſhips in return, were it not that the value of money, as that of all other kinds of merchandiſe, is always tyrannically fixed by the demand?

It

It ſeems, therefore, probable enough, that the money annually imported by *England*, during the period aforeſaid, does not exceed the 888,698*l.* of the balance which appears againſt *Spain*, *Portugal*, *Madeira*, and the *Canary* Iſlands: But here follows a ſtrong conjecture, that it is not ſo conſiderable as it appears by thoſe accounts.—It is an uncontroverted fact, that the article of exportation is always exaggerated more or leſs; the man who firſt bethought himſelf of this harmleſs cunning, fancied that his own importance would appear more conſpicuous to the nation, by reaſon of the quantity of goods which he might ſeem to export: this is now the ſecret of the play-houſe, every body knows it; but this practice is in a manner become neceſſary: one muſt unbluſhingly raiſe himſelf above his level, in order to be thought in his real place; the only way of deceiving in this reſpect, would be to ſpeak the truth; and, in this caſe, the deceit would fall on the deceiver himſelf, and that juſt regard which the exporter has a right to claim, would be loſt to him: Add to this neceſſary artifice, which is no longer a cheat, the uſual mode adopted in regard to importation, the value of which is always a little under-rated, but only a little, becauſe there might be ſome inconvenience in cheating Government

to

to exceſs. With theſe trifling modifications, I think *England* will be found not much above the *par* of her *quota*, in the gold and ſilver imported from *America*.

Now, out of theſe 6 or 700,000*l.* in money, which I believe are really and annually imported into *England*, what quantity is ſent to foreign markets,—not, indeed, before its value is conſiderably advanced by the workmanſhip?—But, if this metal be ſo precious, why part with it when once acquired? Why not employ the workman upon objects, the price of which would have received a ten-fold increaſe by his labour? Why ſhould theſe continual prophanations of the ſacred metal be permitted? Why give encouragement to that kind of proſtitution of gildings of all ſorts, which daily conſume ſuch quantities of gold? It is ſaid, that in *Birmingham* alone, they conſume 30,000*l.* worth *per annum*:—And ſhall it be on a metal thus laviſhed away, ſhall it be on that pretended balance, that *England* will build her reſources, and the ſecurity of her creditors?—In what conſiſts, then, the wealth of the nation, that wealth which is truly independent of all circumſtances, and which will ever be ſuperior to the national wants?

It

It conſiſts in any ſum whatever, money and paper currency, which is required to keep in the utmoſt activity, 3,000,000 of cultivators, 3,000,000 of tradeſmen, and 3,000,000 of other conſumers, as indiſpenſable to realiſe the value of the objects by them conſumed, as the tradeſman and cultivator are neceſſary to produce them:—And if any queſtion ſhould ariſe on the number of inhabitants,

It conſiſts in the number of men neceſſary to furniſh annually exports to the value of fifteen or ſixteen millions:—And if it ſhould be urged that this exportation is over-rated,

It conſiſts in the number of men capable of making up that quantity of exports, which is annually required for a trading navy of 775,024 tons, on the ſtatement of which there cannot ariſe a ſingle doubt.

It conſiſts in a population neceſſary (which doth really exiſt, and could not be diſpenſed with) to find, without any other inconvenience but a momentary ſenſation, the 100,000 ſeamen of the royal navy, the 70,000 national ſoldiers, and the 3 or 400,000 artificers, and other perſons employed in every way, who, by the laſt

war,

war, were for ſome years taken away from their daily and uſeful occupations, ſome monuments of which would probably have been tranſmitted to poſterity, in order to their being employed in all the accidental operations that were requiſite to carry on thoſe deſtructive plans, which have left nothing but a ſad remembrance behind: *A remembrance, nevertheleſs, of which the moſt allowable pride ſhould allay the bitterneſs.*

It conſiſts alſo, perhaps, in that revolution, which muſt have been effected in the mind of every intelligent *Briton*, by the demonſtration grounded on experience, of the impoſſibility of doing beyond a few minutes, with a given number of men, more than that ſame number is capable of effecting habitually, and without fatigue.

It conſiſts in the impoſſibility of not doing, even to the end of ages, with a given number of induſtrious men, all that which the ſame number have executed during 80 years, not only without exhauſting themſelves, but rather, on the contrary, ſtill increaſing their ſtrength and wealth.

It conſiſts, in fine, in the demonſtration which will become daily more palpable, that labour

bour alone is the ſource of that wealth; that the more the ſum of this labour ſhall augment, the greater will be the increaſe of riches; but that this ſame labour will not reach its laſt degree of activity in *England*, till it is nearly in the ſame ſtate in *Siberia*; and that there is no great harm in an *Engliſh* mechanic creating a cultivator in *Siberia*, or even in *France*, provided a *Siberian* or *French* mechanic, create a cultivator or mechanic in *England*.

Reflexions on ſome private Balances of England, *both of the favourable and diſadvantageous Kind.*

IN the ſmall number of diſadvantageous balances, the neceſſity of which is ſo grievous to *England*, I diſtinguiſh that with *Ruſſia*, which, in the courſe of the ten years above mentioned, amounts upon an average to 825,212*l.* annually. This, in fact, is more than enough to ſwallow up the 6 or 700,000*l.* of the favourable balance, during the ſame period, againſt *Spain* and *Portugal*, the only ſources almoſt of the precious metals; luckily the expence of *Ruſſia* in gold and ſilver is aſcertained, as it is every where elſe, firſt, by the quantity of coin in circulation, a quantity

a quantity always proportioned to the price, as well as to the number of objects to be circulated; and, secondly, by the degree of ease, riches, and pomp, which the generality of private faculties can admit of, in the articles of furniture, plate, and dress: The introducing of gold and silver, above the quantity necessary to answer those various purposes, would, as the case is every where else, prove entirely useless; for it can hardly be imagined, that so wise a Princess as the Sovereign who now holds the sceptre of *Russia*, should think of hoarding up, before her 20,000,000 of subjects be as rich, that is, *do produce and consume as much as a similar population might produce and consume in France or in England:* Now, to hoard up would be the infallible means to prevent it. Let us now suppose, that the annual importation of bullion necessary for the circulation in *Russia*, amounts to one half, or even to an equality of what is wanted by *England* for the same object:—It is probable that *England* contributes thereto no more than her proportion, as the other maritime States, who, like her, are obliged to provide themselves in *Russia*; and, consequently, the disadvantageous balance of *England* with *Russia*, can no more demonstrate that the former exports there annually 325,212*l.* than the balance in her favour

favour againſt *Flanders*, clearly proved by the accounts of Sir *Charles Whitworth*, can demonſtrate that the above province is by her ſtripped of 521,201*l.* annually.

A publication truly intereſting, would be a work containing a particular account of the trade of each country, were it only ſuch as that which Sir *Charles Whitworth* has given on *the trade of England*; but though ſuch a treaſure is wanting, yet it appears to me, that to have a clear idea of ſuch a work, would be ſufficient to foreſee what would be the reſult of it. All men are alike: one may therefore, without fear of deceit, ſuppoſe in the merchants of every country, the ſame attention to ſwell up the liſt of articles which pay no duty, and which give a trader the petty conſequence of a more conſiderable exportation; every where might be found the ſame exactneſs, *in a contrary ſenſe*, in regard to goods liable to an importation duty; conſequently the balance ſtruck at laſt would be in favour of the nation whoſe accounts ſhould be then inſpected: but deduct from all thoſe favourable balances, that which might have been farther declared on the articles which are duty-free; add to the total of the exports, what has been declared ſhort of the true amount on the objects

which muſt pay; it would then be found that (the five articles excepted) all is paid literally without having laid out any caſh, and that each nation is wiſely reduced to the only real advantage of trade, the *exchange of want againſt fancy, the exchange of one fancy for another, or the exchange of one want againſt another want.**

In fact, how can it be ſuppoſed, that a nation who ſhould not ſell to one, or to ſix others, exactly as much as ſhe has purchaſed from a ſeventh, ſhould not be, a little ſooner or a little later, compelled, either to give up a trade which ſhe muſt ſupport with real ſpecie, or to ſell that at home for *five* in caſh, which fetched ten before? Is it not evident, that a nation which ſhould not purchaſe from one or ſix others, as much as ſhe ſells to a ſeventh, muſt, ſooner or later, find herſelf in the neceſſity, either to hide her money under ground, or to lower its value, ſo far as to ſell at home ſucceſſively for 6, 8, 10, and 20, that which was ſold before at 5? This would exactly have been the caſe with *Ruſſia*, had the annual balance of 825,212*l.* been effectually paid to her in coin, either by *England*,

* Since my writing the above I have ſeen the account-book *(Bilan)* of another nation; I ſhall notice it in its proper place.

England, or by thoſe who ſtand on the debtor ſide with *England*, and had the former put it into circulation, inſtead of laying out the ſurplus of that balance in the purchaſe of goods from ſix other countries, to whom the *Engliſh* ſold articles to a ſimilar amount: Now the *Ruſſian* trader does not in *Ruſſia* charge 20, for that which, 50 years ago, was ſold there for 5: the value of money is not debaſed there, though *Ruſſia* has annually a claim upon *England* for a balance of 825,212*l.* and, probably, demands not leſs conſiderable upon the other maritime powers; *Ruſſia*, therefore, has cautiouſly avoided receiving thoſe different balances in coin.

Beſides, money fetches but its price in *Flanders*, although, according to Sir *Charles*, that province is indebted to *England* in a yearly balance of 521,201*l.*—Nor is money worth above its price in *Germany*, though the latter owes likewiſe to *England* a balance of 924,709*l.* annually.—In *Ireland* it goes for no more than its worth, though there is another balance due by that kingdom to *England*, to the yearly amount of 770,916*l.*—Nor is it above its value in *France*, who owes to *England* an annual balance of 108,073*l.*—Now, if money is every where nearly of the ſame value, we muſt conclude,

that there does not exiſt a nation which has not found in her annual importations of gold and ſilver, either conſidered as money, or as materials for ſome articles of luxury, all that ſhe ſtood in need of to keep up circulation, and provide for that degree of luxury, which the *actual* degree of her induſtry *requires, as much as it allows*; in this caſe the final balance, deemed unexact, that is, in *favour of England*, has, in fact, been kept perfectly even. Each has ſold here or there, as much as he has purchaſed, and *vice verſâ*; and the prejudice *England* entertains on the neceſſity of a *favourable balance*, has not, in practice, dazzled the eyes of the merchant who carried on her trade: He has rejected the gold tendered to him, when his profit upon it would have been but trifling, with as much judgement as he has, with care, ſought after ſuch goods as could then yield him a greater benefit.

State of the Balance between England *and* Holland.

SIR *Charles Whitworth*, in his *State of the Engliſh Trade*, rates the annual balance due by *Holland* to *Great Britain*, at 1,372,258*l.* upon an

an average of 10 years: This is the moſt conſiderable. There can be no illuſion, in regard to the effect this balance has upon the money in *England*; it is well known that it does not increaſe it; nay, it is thought that the debt due to *Holland*, leſſens it annually, not only by the whole amount of the *favourable balance* which would revert to *England* were ſhe not indebted to the *Dutch*, but of one million more, which muſt be found to pay them off.

I have already ſaid, and repeated, that in every circumſtance where it is neceſſary to borrow or to diſplace a capital, it is better to borrow, even at 5 *per cent.* than to remove a capital which returns double that ſum; and that, on the other hand, it is more advantageous to lend any ſum abroad upon good ſecurity at 5, or even at 3 *per cent.* than to lend the ſame ſum at home, where it would yield only 2 *per cent.* or to bury it in the abyſs of a Bank, whence nothing returns. Now what proves that *Great Britain* and *Holland* are in this caſe with regard to each other, is, that *England* ſeldom or never opens a loan, but what the *Dutch* take a ſhare in. What do they give for the purchaſe? Nothing more than the ſurplus of the ordinary profits ariſing from a trade, which they cannot

extend ſufficiently to employ the whole amount of their ſavings. And why has this part of the *Engliſh* loan been given up to the *Dutch* by the national capitaliſts? Becauſe the latter could find in their own trade, ſuſceptible of a farther extenſion, a way of employing their capitals to greater advantage, that is to ſay, of reaping a benefit ſuperior to the intereſt offered by the loan: How can this be doubted, when we ſee that the loan falls into the hands of a ſmall number of merchants, who ſoon afterwards make over their debt? Would they transfer it to any one, were not the intereſt it brings in, intereſt ſecured by the nation, inferior to the ordinary profits of their commerce?

Therefore, if the balance due to the *Dutch* is thought *burdenſome*, only in the ſuppoſition that it ſerves to pay *burdenſome* intereſts, it cannot be looked upon in the ſame light, when the matter reſts upon a debt, by which the borrower clears a benefit ſuperior to the intereſt that he has to pay.—I ſhall preſent this queſtion under another point of view.

In the war which was terminated by the treaty of *Paris*, the moſt conſiderable part of the debt contracted for its ſupport, was acquired by the *Dutch:*

Dutch: Why ſo? Becauſe the *Engliſh*, carrying on, without any oppoſition, an excluſive trade with every part of the world open to them alone, found therein the opportunity of employing their capitals to a far greater advantage, than that held out by government in the intereſt of the loan. During the laſt war, on the contrary, the *Engliſh*, being more narrowly circumſcribed in regard to their commercial operations, by a navy, the poſſibility of which they did not even ſuſpect, much leſs its real exiſtence, and being kept more circumſpect by a new ſyſtem which opened a free navigation to all the powers not involved in war, thought themſelves happy to find, in the national loan, an employment for that portion of their capitals, which, from circumſtances, was become uſeleſs. The intereſts of the laſt debt are then due and paid within, and by *Great Britain*; but will it be ſaid, that *England* would not be ſo rich, were the 3 millions additional intereſt, with which ſhe is burdened, due to *Holland*, and had the *Engliſh*, inſtead of employing their capitals, as they have done, in ſupport of the laſt war, made uſe of them in the ſame profitable manner as in the year 1755? had that money, for inſtance, been laid out in the improvement of their waſte lands in *Europe, whilſt Dutch caſh ſhould have*

fought againſt French money, to determine how many European nations ought to be permitted to carry to North America, the goods of the other parts of the globe!

As to the full acquittal in money, *real* and *effective*, of the 2,000,000*l.* intereſt, due to *Holland* for her previous loan, it is improbable, impoſſible, and uſeleſs.

It is improbable, becauſe *Holland*, being already overſtocked with money, and carefully intent on getting rid of her ſurpluſage in this particular, at the firſt opportunity of placing it with ſecurity, would ſtill lower the price of it at home, were ſhe to increaſe its maſs; and that, on the contrary, whilſt *Holland* takes in goods inſtead of money, ſhe keeps up the intereſt of the one, by ſecuring to herſelf a benefit upon the other.

It is impoſſible, becauſe *England* importing bullion from *Spain* and *Portugal*, to the amount only of one third, and being very cautious, as obſerved before, not to import more than *one third* of what ſhe owes to the *Dutch*, and this, not to pay them, but becauſe this third anſwers ſufficiently to the five articles of which I have

ſpoken

ſpoken before ;—*England*, then, cannot give to the *Dutch* what ſhe has not received from another, and which ſhe has not of her own.

It is uſeleſs, in fine, becauſe all accounts whatever are balanced with more eaſe, in the age we live in, by bills of exchange, than with caſh, and becauſe the claims of *Holland* are more naturally paid off, by another debt due to *Great Britain*, for the produce of her exports to ſome other parts of *Europe*, from whence the *Dutch* carefully avoid, as much as poſſible, to import any thing but merchandiſe.

But *would it not be better to owe nothing to foreign nations?* For to this one point we ought to confine all the lamentations about *Dutch* creditors.

The above queſtion, ſo apparently ſimple, ſo readily to be reſolved in the affirmative, would grow perhaps more intricate, were it uſhered in by ſome previous queries, which might permit us to foreſee the effect of the national wiſh, when accompliſhed, if it could be obtained by the eaſieſt anſwer that could be given ; for the caſe, no doubt, is not to examine, whether it would not be better to have borrowed, without being obliged

obliged to return, than to pay an intereſt after the money has been borrowed. In the ſtate of things, the queſtion alluded to, to be fair and within the pale of common ſenſe, muſt mean nothing more than this: *Would it not be better, that the proprietors of the two millions intereſt, paid to a foreign nation, ſhould make their reſidence in England?* And in this caſe it leads us, by degrees, to the following query: *Would it not be better, if all and every man in the world, who has money to ſpare, ſhould come to ſpend it in London?* Then indeed *London* would be a dear place to live in! And this is, methinks, the moſt dreaded effect ariſing from taxes. *O ye, whoſe covetouſneſs knows no limits but the bounds of the earth! do ye pretend to be the ſole inhabitants thereof?* Can ye draw off the capitaliſts of a country, without completing its ruin? Can ye effect its ruin, without loſing both that portion which the produce of your ſoil ſecures to you in the produce of that nation's induſtry, and the ſhare which the produce of your induſtry has ſecured for you in thoſe of her ſoil?

What then appears to me to be the reſult of this *fatal* intereſt of two millions due annually to *Holland?* — That the latter is eſſentially intereſted, not in an increaſe of the power of *England*,

land, who might make a bad uſe of it; not in an increaſe of ſpecie in *England*, which, by lowering its value, muſt compel her to return that of the *Dutch*, already ſo much diſparaged in their country; but to a further extenſion of the *Engliſh* trade, or rather of the general commerce, which can alone, by advancing conſtantly, and every where, the quantity and price of the objects that are to circulate, increaſe in the ſame proportion the neceſſity of the *inſtruments* indiſpenſable to every kind of circulation and undertaking, and keep up in every part, *for the intereſt of Spain and Portugal, as well as for that of Holland*, the value of the ſign intended for a general repreſentation, which *Holland* in her proportion will ever have in greater plenty than all other nations, thanks to the narrow limits of her territories, and to the manners of her inhabitants, which, in all probability, are the conſequence of that limitation.

Balance of France *with* England.

OF all the balances of *England* ſummed up by Sir *Charles Whitworth*, that which is moſt to be wondered at every where but in *Japan* and *China*, where foreign trade is but poorly encouraged, is the balance between *England* and *France*, theſe two

two nations being parted, as they are, only by a ſimple brook.

The wonder cannot but increaſe, if we conſider with what eagerneſs thoſe two countries are intent upon improving their trade.

The wonder will ſtill increaſe, when it is obſerved, that the *French* carry to the higheſt pitch their rage for *Engliſh* modes, whilſt the *Engliſh* experience the ſame kind of frenzy for *French* faſhions.

The wonder muſt increaſe ſtill further, when it is obſerved, that the ſame nations, in poſſeſſion of the moſt active and moſt intelligent induſtry, are alſo poſſeſſed of all the caſh neceſſary to give an additional activity to that *induſtry*, which might be required to carry on a branch of trade, as it were, at their door, but which is neglected, out of regard for old and abſurd prejudices.

Still muſt the wonder increaſe, if it is obſerved, that a firſt capital of 200,000*l.* laid out in that trade by the two nations, would occaſion in both, more work in cultivation, as well as in the arts, than 600,000*l.* which each of them might employ in a trade to *China*, if it were poſſible to lay out ſuch a ſum upon it?

The

The wonder will be ſtill greater, when we conſider that, *by favouring, with equal care, the imports and exports to and from one country into the other, the two nations would, without the leaſt inconvenience, acquire the means of increaſing the revenue of their cuſtoms reſpectively, according to their wants, by agreeing mutually upon a tarif, which would be rated upon the average of thoſe wants*; a tarif, which the reſt of *Europe* might adapt to its circumſtances, if it were the general intention to increaſe, every where, the revenue of the State and the induſtry of the people, in a like proportion.

This is certainly what the two nations might have compaſſed. That which follows, is what they have done.

In the year 1699 the exports of *England* to *France* amounted to 287,050 *l.* and her imports from *France* to 94,641 *l.*:—

In 1773, the period at which Sir *Charles Whitworth* cloſes his ſtatements, the exports from *England* were rated at 285,776 *l.* and the imports from *France* at only 44,484 *l.*—On this the enthuſiaſtic admirers of the Balance *in favour* bleſs their ſtars that their country imports now 50,157 *l.*

50,157 *l.* less in *French* goods, than it did in 1699, and that, in order to secure this advantage, *England* experiences no other damage than that the *French* are fallen in their imports from *England* only 1274 *l.* since the year 1699.

Further Reasons why all Ideas of a favourable Balance in Money, different from that which I have supposed, should be rejected.

GREAT-BRITAIN is not the only nation that claims a right to that kind of *favour*, which would reduce all *Europe*, in all transactions, to the use of paper-money; but I only speak of *England* in this place.

Money is not hid under ground in a country where administration is convinced, both of the impossibility of the people paying exorbitant taxes, without proportionable riches, and of the impossibility of being as rich as is requisite for the discharge of enormous taxes, when individuals are compelled to appear less rich, that they may be less burdened with imposts.

Money is not laid under ground in a country, where the smallest sum, as it were, equally with the largest, may be placed most securely, till the very

very moment, when, led by fancy or want, one may think well to withdraw it, and which, from the time when it has been placed, to that of recalling it, produces nevertheleſs a ſure intereſt, which never was delayed a ſingle minute; an intereſt, which is a matter neither of reproach nor of ſhame.

Money is not laid under ground in a country, where the reputation of being rich expoſes not the ſubject to an arbitrary taxation, nor to demands equally ruinous, to informations, extortions, or at leaſt to ſome injuſtice in caſe of a refuſal.

Money is not laid under ground in a country, where regard is the appendage not only of wealth, but of credit alſo, which carries the appearance of, and can procure the former.

Nor is money hid under ground in a country, where it ſhews the value of a man as poſitively as that of a piece of goods; in a country, where it is frankly ſaid, *this man is worth a million*; whether this expreſſion be made uſe of to ſignify that the poſſeſſor of a million is, at leaſt, by the whole extent of that million, far from being guilty of meanneſs and injuſtice, or that it be underſtood that nothing but the offer of another million could tempt him to commit any thing baſe

or

or unjuſt. Money is never buried under ground in a country, where it acts ſo eſſential a part; it cannot then be its fate in *England:* all the money in the poſſeſſion of *England* ſtands in full evidence; it conſiſts,—1ſt, in objects of private luxury, the quantity of which is by no means extravagant;—2dly, in the maſs of caſh in circulation. Now this very *maſs* is deſpotically determined by the number of affairs tranſacted, and likewiſe by the prices and quantity of the property which is to be circulated; yet this maſs is, perhaps, in *England* one half leſs than it would prove any where elſe, ſuppoſing the ſame objects to be attained; that univerſal *mobile* is too juſtly appreciated there, to be laviſhed, that is to ſay, to be *turned into caſh*, beyond what is required to give credit to the paper currency ſubſtituted to *caſh*.

I ſhall therefore aſk, In what public funds abroad the *Engliſh* merchants veſt annually the four or five millions of that pretended *favourable* balance in money, ſince they do not bury it at home?—There might, it is true, ſtill exiſt another reſource; the general balance is only the aggregate of all private balances.——But is it very certain that, upon an average, the private balances of all the merchants in *Europe*, who correſpond with *England*, are annually charged

charged by one fourth of the amount accruing from that correſpondence? For if the *Engliſh* ſend them 16 every year, and every year import only 12, their correſpondents are conſequently indebted to them annually 4 more than they were the preceding year.

The *favourable balance*, as it is commonly underſtood, is then a mere chimera, which, if realiſed, would produce no other effect than to advance, at ſome period or other, the price of a pound of bread to that of a pound weight of gold; yet it reſults, methinks, from the exports of *England*, almoſt trebled within a century, that each nation, with whom the former has trebled her trade, has increaſed her own, at leaſt, by the whole amount of the balance due by her to *England*; for it is beyond a doubt, that one muſt have three times more to ſell, in order to be able to purchaſe conſtantly, and pay three times more than he uſed to do. But from this principle may it not be inferred alſo, that every nation, wiſhing to increaſe her trade, is intereſted in an increaſe of the commerce of all thoſe with whom ſhe means to correſpond?—If, in order to reduce into practice, if to eſtabliſh on the moſt equitable and moſt ſolid foundation, a ſyſtem ſo truly advantageous to ſociety, Nature had no-

thing more to combat than private *cupidities*— they balance each other. But how many national prejudices, how many maxims ſacred to each nation, how many abſurd regulations, ſpringing from thoſe very maxims and prejudices, is ſhe not obliged to modify, as it were, underhand, in their effects! What a number of ſmugglers does that good mother employ, for the purpoſe of bringing all things nearer to that *equilibrium*, from which many are ſtill perſuaded it is ſo very material to deviate!

Equilibrium neceſſary in all things.—On the ſureſt means of eſtabliſhing it.

IT is a difficult matter to guard againſt a prejudice in favour of liberty, when we conſider, that, thanks to the freedom which has always very generally prevailed in thoſe parts of Science, wherein policy diſdained to reſtrain it, we have been taught to weigh air, before any preciſe idea was obtained on the rule of proportion which ought to regulate matters of exchange. Every thing, in this laſt particular, is even ſtill merely mechanical; and perhaps if the matter were thoroughly examined, it would be found that there is never too much, nor too little in one of the ſcales of the balance, but from an effect of the

the means deviſed to eſtabliſh or preſerve the Equilibrium. I do not pretend to lay down, for an abſolute principle, that the hand of man, like that of the harpies, is only capable of poiſoning whatever comes within its reach, and that the wiſeſt conduct would be, to keep it with care from every thing that one ſhould wiſh to preſerve from corruption; ſuch a propoſition would, no doubt, prove rather too general; yet one cannot help obſerving, that there are but few countries where adminiſtration has not often, owing to the groſſeſt ignorance, or ſome principle of injuſtice, or of a cupidity almoſt equally blind, reſtrained ſome very lucrative *cultures*, to which the nature of the ſoil and of the climate would have given a perfection that could be attained no where elſe; or have not encouraged ſome coſtly produce, to which Nature refuſes thoſe qualities which ſhe liberally beſtows under another ſky.

Neither can one refrain from remarking alſo, that from thoſe regulations, and from many more of the ſame kind relative to manufactories, no other effect can reſult than that of buying up at home, very dear, and often of a bad or indifferent quality, that which might be purchaſed abroad of an excellent kind, and at a cheaper rate, and which might be paid for with

the productions of the earth and induſtry, better ſuited to the climate of the purchaſer.

It is alſo obſerved, that, without the interference of adminiſtration or of philoſophy, the balance between want and the relative quantity of the different productions of the earth, is always, upon a medium, admirably ſupported by the ſole intereſt of the cultivator, ever perfectly and ſolely guided by the common demand for each of theſe productions.

It is alſo remarked, that a ſecond balance, and a very neceſſary one, between the mean price of thoſe different productions, is alſo mechanically eſtabliſhed, on the difference of labour and of the capitals, which the ſame cultivator lays out upon each of them, without any other motive but that of employing with diſcernment, his hands and his capital, to derive from them the greateſt benefit. He never thinks of reſtoring the equilibrium between the general prices, when the price of the product A has fallen, and when a continued advance on the product B invites him to multiply the latter, by transferring to its cultivation, a more conſiderable ſhare of his labour and of his capital. Nor does he think of it, when laying out new ſupplies of labour and money

money if the price of the product B keeps up whilſt that of the product A goes on increaſing; he does not think of it; and yet, without any other reaſon or motive than his own intereſt, he reſtores that neceſſary equilibrium. Much leſs ſtill does he think that an increaſe maintained in the price of one object, without diminution in that of other articles, beſpeaks an increaſe of the general conſumption, which ſoon muſt raiſe the price of every thing. Nay, it is very probable that he will not take notice that he *ſells* all his goods at a higher rate, and that he will ſoon complain of the general advance in the price of all thoſe which he buys, becauſe his intereſt is his only guide: but this intereſt is oppoſed by that of induſtry; and from this claſhing, in ſpite of the two opponents, ariſes a new balance, more loaded, no doubt, than the firſt, but not leſs neceſſary, not leſs equitable, and yet no one has meddled with it.

All theſe things may be eaſily obſerved; but what ought to be more particularly attended to, and what is moſt overlooked, is the impoſſibility of aſcertaining the difference between the hand-labour and capitals to which we owe the productions of the earth, the knowledge of which is within the reach of every one, and the labour and

capitals to which we owe the productions of induſtry, in which the workmanſhip of an article often conſtitutes the half, and ſometimes 99 hundredths of its value: it is a diſadvantage againſt which agriculture cannot be effectually protected but by a competition, which can be the reſult only of the greateſt freedom. The abſolute *paſſiveneſs*, which, in the above ſtated circumſtances, is ſufficient, on the part of Government, to effect the greateſt good, appears here indiſpenſable, to avoid acts of injuſtice. Why ſhould the trading part complain of that *paſſiveneſs*, whilſt a number of cultivators, proportioned to that of the artiſans, produce in the State a revenue equal to the maintenance and ſupport of induſtry? Now the fact appears the more certain, as, upon the leaſt reflexion, one may be ſenſible, that if an epidemic diſorder ſhould break out amongſt the huſbandmen only, and thus deprive cultivation of one half of its proper number of hands, the ſurvivors would not fail to increaſe the price of their labour, and the farmer that of his farm, by ſo much as would indemnify agriculture for the loſs which ſhe might have ſuſtained; and that the advance in her prices would fall off only in proportion as the handicraftſmen without employment, by the uſeleſſneſs of that portion of the produce of induſtry,

induſtry, hitherto conſumed by the cultivators who fell victims to the diſeaſe, would themſelves turn cultivators; an operation which would ſoon reſtore the proper balance between the two revenues, as well as between the prices of labour, from which all kinds of produce originate. Let the effects of the diſeaſe be tranſferred from the cultivators to the handicraftſmen, the ſame manœuvre will be played off by thoſe who preſide over induſtry.

Should another reaſon be wanted to ſtrengthen my argument in its moſt eſſential part, I could adduce an inconteſtable fact, as little controverted in *France* as it is in *England*, namely, that in both countries the whole of the landed property does not yield three fourths of what it ought to produce.—Then, either the reſpective induſtry of the two nations ranſoms agriculture, and binds her up, without being ſuſpected of doing ſo, to that ſtate of mediocrity to which ſhe is reduced; in which caſe, ſingle out of your regulations, thoſe which favour induſtry at the expence of cultivation, and endeavour to expunge them, ſince agriculture ſtands clearly in want both of hands and capitals; or your induſtry and agriculture are neither of them nearly arrived to that degree of perfection which they are calculated to

reach; that is to ſay, you have not the number of cultivators which your land can nouriſh, nor of courſe, ſo many artificers as your land can maintain; in this caſe alſo, reviſe your regulations; there is not one of them which does not affect your agriculture in a direct or indirect manner; by her you muſt begin: cultivators, unthinkingly and without regret, give birth to a race of artiſans;—it is, on the contrary, as it were in ſpite of induſtry, and by a kind of reaction which ſhe ſpares no endeavours to retard, that cultivators are produced by artiſans. *Never will induſtry lay out a ſhilling upon the land if ſhe can employ it in any other enterpriſe.*

But, would the inland trade, without which agriculture cannot ſubſiſt, flouriſh, if foreign commerce ſhould not be encouraged in a particular manner? And were any circumſtances whatever, combined together ſo as to occaſion ſuch an alteration in the price of neceſſaries, as would deprive induſtry of the proper means to ſupport abroad a competition which cannot poſſibly ſubſiſt but by an equality of means; would it not then become neceſſary for government, to ſhew a ſpecial favour to commerce, intruſted with the care of that competition? *The manufacturers, in all countries,*

inſiſt

inſiſt ſo forcibly on ſuch a neceſſity! The ruling powers in every nation are ſo convinced of the truth of the above maxim!

This queſtion, truly important, requires ſome details on the different cauſes productive of the alteration in the prices.

Although I may often appear, in the following ſuppoſitions, to loſe ſight of the revenue ariſing from induſtry, and pay attention to that of the land only, we muſt not forget the mechanical principle, or rather the force of Nature, who, ſooner or later, in ſpite of all the ſubtilty of man, keeps an exact balance between thoſe two ſources of national wealth, and cauſes all the revolutions of the one to be unavoidably felt by the other.

Various Cauſes of the Alteration in the Prices.

AS long as we ſhall ſuppoſe, in a country ſtanding by itſelf, the ſame products, the ſame conſumption, the ſame quantity of money, the ſame freedom, no reaſon can ever be aſſigned for an increaſe or falling-off in the price of any article generally known, and of general uſe; but,

Second

Second Hypotheſis,

Let us ſuppoſe, that population is doubled as well as the revenue; no alteration can certainly take place in the real value of things;—that value will remain for each article, the ſame as it was before; that is, *the ſum of the labour requiſite for the production of that article:** neither will the relative value undergo any change; the quantity of labour known, or ſuppoſed, in two different objects of a certain conſumption, will remain, as at firſt, the ſole criterion for fixing the difference of value in the one and the other. The eſſential relation of general correſpondence between the wants, and the real reſources, remaining alſo the ſame, there can likewiſe be no real difference in the ſituation of any individual whatever; if there are every where two *conſumers* to one, the ſame increaſe will be found in the number of *productors*. The only palpable, and unavoidable alteration, always grievous when it is ſudden, is that which, in

* Under the idea of labour, I compriſe all kinds of capitals neceſſary to keep in action the labouring man; a ſtock, or capital, is but an accumulation of ſavings, made from former labours, whether it repreſents the ſavings of a certain number of years, in regard to one man, or thoſe of ſome centuries, in regard to the nation or ſome privileged individuals.

in the preſent hypotheſis, muſt have taken place in the nominal value, that is to ſay, in the money-price of every thing; for the quantity of coin which was in circulation, being always the ſame in that country, ſtanding by itſelf as we have ſuppoſed, and without mines, whilſt the objects repreſenting the ſaid quantity, had ſucceſſively doubled, it had been indiſpenſable, ſucceſſively, either by degrees, or by ſtarts, to come to the point of giving for 2 in money, that which could not be given before for leſs than 4, or rather of denominating 4, that ſame quantity of money which hitherto had been denominated 2.—If you look for a precedent of the firſt effects of a diſproportion too conſiderable or too rapid, between the wants and the demands, or between the maſs of coin in circulation, and the number of articles to be circulated, it will be found, in the revolutions which took place in *England*, during the ſpace of two years *only*, 1288, 1289, the quarter of wheat roſe from 1*s.* to 2*s.* then to 3*s.* 9*s.* 12*s.* came down again to 2*s.* was then raiſed all at once to 20*s.* and fell at laſt to 16*s.* where it ſeemed to ſupport itſelf for ſome years (ſee the excellent *Inquiry* of Mr. *Smith*, *into the Nature and Cauſes of the Wealth of Nations*); this is the man truly capable

capable of diſſecting, as it were, that ſubject, of which I can, at beſt, but mangle the *epidermis*.

Third Hypotheſis.

To remedy the evil in ſuch circumſtances, how many expedients are tried, which only ſerve to increaſe it! How many avowed depredations upon pretended uſurers, before the Sovereign boldly ventures to partake with them in the public execration by ordering a re-coinage, which, under the ſame denomination, will give but a part of the weight, or of the quality of the former coin! Yet this cannot be avoided. But by aſcertaining, as we have done before, a two-fold increaſe in the revenue, and ſuppoſing one million and a half to have been ſufficient to the circulation of the firſt revenue; if the Prince with his 1,500,000*l.* inſtead of a coinage of three millions, ſhould have ſtruck only 2,400,000*l.*—after ſome fluctuation, the balance will be reſtored between the price or nominal value of the negociable articles, and the quantity of money in circulation;—but what had been ſold for 5 heretofore, will then go for 4; the prices will have fallen one fifth, and the circulation will be clogged:—But above all, it ſhould be obſerved, that *no one will be the poorer, notwithſtanding the diminution of the nominal value.*

Fourth

Fourth Hypotheſis.

If the re-coinage has been in the proportion neceſſary to re-eſtabliſh exactly the former facility in all the channels of circulation, the former prices will return after the inevitable fluctuations; the quarter of wheat, for inſtance, which at ſome period of the revolution, will have been raiſed to 20*s.* will fall back to 5*s.* as it was at the beginning, although the ſhilling contains only half the ſilver that it contained at that time, 130 grains we ſhall ſay, inſtead of the 260 or 264 it contained in the year 1300.

Fifth Hypotheſis.

Now let us ſuppoſe, what has happened in all countries, that the Prince and his Miniſters have laid hold of the opportunity, the former, to pay the debts he had incurred in the time of national diſtreſs and confuſion, the latter, to procure a more rapid increaſe of their fortunes, and that, with the 1500,000*l.* ſuppoſed in circulation, they have ſtruck 6 millions, inſtead of the 3 wanted to anſwer the real increaſe of the revenues and of population;—certainly when the calm returns, 10*s.* will be the price of a quarter of wheat, which ſold for 5*s.* in the *firſt hypotheſis*;—

a moſt

a moſt deciſive argument this, for the manufacturer to ſell at 8 that very cloth which went for 4, and an uncontrovertible ground of right in the working people to charge 4*d.* for that which before they performed at 2*d.* — In theſe two points center all the practical inferences in which any individual in the State can be concerned: yet the ſhilling will contain only 65 grains of ſilver, inſtead of 260;—and if the price of every thing be doubled, it is not on account of the ſhilling containing only 65 grains in lieu of 260, ſince, upon this principle, the quarter of wheat muſt have fetched 20*s.* inſtead of 10*s.*—but it is becauſe, in all caſes, there are two pieces of money to anſwer the purpoſe of one, and that *it was neceſſary, in order that the ſecond might acquire one half of its former value, that the firſt ſhould loſe that very half.*

Sixth Hypotheſis.

At this period, let it be ſuppoſed, that an epidemical diſtemper ſweeps off three-fourths of the inhabitants, and conſequently takes away as much from the revenue:—After the terrors uſual in ſuch caſes, and a ſcore of prophecies, foretelling that Doomſday is at hand, yet will it appear that the world is not deſtroyed: it will alſo appear, that the epidemical diſorder has not

not carried off the money, and that it would be wrong not to make uſe of it.—The ſpecie muſt of courſe, loſe nearly three fourths of its value if the whole ſhould continue in circulation, becauſe 4 pieces will preſent themſelves to do the office which 1 could perform before the time of the diſtemper;—the quarter of wheat, at firſt rated at 5 ſhillings, ſunk to 4 in the *ſecond hypotheſis*, then ſold for 10 in the *fifth*, will in the preſent one, riſe up to 40, *without any one growing richer or poorer for it*; *for*, moſt aſſuredly, *the price of labour will have increaſed in proportion to that of its own produce.*

Seventh Hypotheſis.

The effect would have been the ſame, if, inſtead of the diſtemper juſt ſuppoſed, the general enthuſiaſm on the diſcovery of a gold or ſilver mine, had induced the Sovereign to add to the circulation three times the quantity of ſpecie which had hitherto been ſufficient.

Eighth Hypotheſis.

In the ſuppoſition of an event the moſt oppoſite to that of an epidemic diſeaſe, viz. of the revenue being increaſed one half, one third, nay, three fourths, if you pleaſe, as well as the population; yet the mine yielding a great deal above what is neceſſary to anſwer to an increaſe in all kinds,

and

and the Sovereign being reſolved upon a recoinage of the ſpecie, on principles entirely different from the former, that is, by preſerving exactly the ſame number, ſtandard, and denomination of the coin; the number, becauſe it is ſufficient; the denomination, becauſe there muſt be one, and that it is indifferent which it bears; and the ſtandard, becauſe there is no further danger in fixing it; but, by advancing the weight of a ſhilling from 65 to 86 grains, there will certainly be no alteration in the prices; the wheat will keep up at 40 ſhillings, and other articles in the ſame proportion;—and *none will be richer or poorer for it*, although, at the price of 40*s*. the quarter of wheat, they give, without heſitation, 3440 grains of ſilver for an article for which they gave 650 only, previous to the epidemic diſeaſe, or the opening of the mine, which has produced the ſame effect.

Ninth Hypotheſis.

When ſuch revolutions are brought about by ſlow degrees, no one is ſenſible either of the effect or of the cauſe; but, at laſt, both are attended to. Let us then ſuppoſe, that the generality of the people reflect that gold and ſilver, conſidered as coin, derive all their value from imagination; —that money is, ſtrictly ſpeaking, nothing more than

than a medium adopted to facilitate the diviſion and tranſport of all other kinds of property;—that it is but a ſign, the place of which may be eaſily ſupplied by any other, which by general conſent may be honoured with the ſame diſtinction, or ordered for the ſame uſe;—that its value, in this point of view, riſes or falls unavoidably, according to its quantity, *without influencing the intrinſic or relative value of the articles it repreſents, a value conſtantly determined by the ſum of the labour that produces them*, juſt as their relative, *common* quantity follows, ſervilely and cloſely, the demand.—All theſe remarks cannot prevent us from obſerving a value far more eſſential in gold and ſilver, conſidered as metals ſuſceptible of all the forms that can be uſeful, or can pleaſe the eye, while the nature and texture of their parts ſecure them from accidents equally diſagreeable and dangerous, to which all other metals are liable: we ſhould not therefore be ſurpriſed, if ſome reflexions, ſuggeſted by wiſdom and humanity, were to lead us to that point which firſt originated in the extravagance of ambition, and the rage of politics; I mean, that, after having conſidered that no manner of good was produced by that diſparagement of coin, which always reſulted from its multiplication, and that the health of

man was, on the contrary, intereſted in putting to a better uſe thoſe metals, the quantity of which, being doubled in circulation, only ſerved to double the price of every thing;—we ſhould not be ſurpriſed, I ſay, not only that nothing was ſpared to encourage the goldſmith's trade, but even, that half of the coin was melted down, and transformed into plate, and the *deficit* ſupplied by a quantity of *paper-currency*, anſwering to that of the coin thus employed; a *paper-currency*, which it would be ſufficient to diſtinguiſh by ſome mark or token agreed upon, to give it in circulation, exactly the ſame properties as that part of the metals which was transferred to a more advantageous purpoſe.

In regard to the danger of paper-currency increaſing above the quantity wanted, it is as little to be feared, and its ſuperabundance would ſoon be made as ſenſible by its effect, as that of a ſuperfluity of coin.—If you double the maſs of money intended for circulation, how will you prevent ſuch articles as ſold for 4 only, from riſing to 8, or the additional 4 from becoming uſeleſs?—And if paper-currency be in queſtion, how will you prevent the extravagantly-avaricious wretch, who envies others the enjoyments he denies to himſelf, how can you prevent him,

him, I ſay, from obſerving that paper rots in the ground, and that to bury his wealth he muſt exchange it for caſh?—how will you prevent this want of money, immediately felt, from deſtroying, without reſource, the credit which that maſs of buried money had hitherto given to paper-currency? So long, therefore, as the paper keeps up its credit, one may reſt aſſured that the public is not over-loaded with it. I ſhall, in the ſequel, venture ſome reflexions on the true cauſe of that part of the increaſe in prices, which is attributed to the quantity of paper-currency in circulation; contenting myſelf here with a recapitulation of what I have juſt ſaid on the different cauſes of the alteration in prices, according to the foregoing hypotheſis, by concluding,

Firſt, That a nation which ſhould rejoice in being poſſeſſed (for the convenience of covetous individuals) of a *vortex*, into which they could caſt, at pleaſure, without profit, but alſo without anxiety, an immenſe treaſure, which was the produce of the pains taken by ſo many uſeful and induſtrious hands, would, in fact, only congratulate herſelf on being poſſeſſed of the effectual means of robbing the preſent and ſucceeding ages, of all the advantages that muſt have accrued from the uſe made of that money,

in any part of the world, where it might have produced, and encouraged a new branch of induſtry, *the reaction of which would have turned to the profit of the nation in poſſeſſion of ſuch* vortex.

Secondly, That a nation, which ſhould rejoice in being the owner of an immenſe quantity of coin in circulation, would, in fact, congratulate herſelf on that want of credit which renders ſuch quantity indiſpenſable.

Thirdly, That as ſoon as government, in ſuch a nation, ſhould have ſolemnly given up the right, ſuppoſed to be unalienable, of paying its debts, from no other motive but that of extreme honour and benevolence, the nation might then part with half her coin, and without impeding the circulation, increaſe her enjoyments and her wealth, which can be nothing more than *the total of her annual labour, together with the monuments ſtill ſubſiſting of the labour of preceding years:* a total, which could not but increaſe in the caſe now ſuppoſed.

Fourthly, That, in regard to the coin, the moſt wretched paper-factory, aſſiſted with that credit which is founded, not on kindneſs, but on juſtice and intereſt, is far preferable to the richeſt mine in *America.*

Fifthly,

Fifthly, That the difference in the real value between one article and another, is only the difference of the labour which produces it; and that *all regulation, tending to throw a veil on the quantity of labour contained in one article, is unjuſt*; ſince it turns to the prejudice of any individual in the community, *who is not the author of this unknown labour.*

Sixthly, That the nominal price of the *eſſential* article, to which that of the others muſt finally revert and conform, fixed at firſt by its proportion in the quantity of articles to be repreſented, and by the diviſions and ſubdiviſions of the maſs of money then exiſting for that uſe, this nominal *common* price will certainly riſe or fall, conſtantly, and *without the leaſt inconvenience*, juſt as that firſt quantity of coin ſhall ceaſe to anſwer, by more or by leſs, to the quantity of the objects of which it was calculated to transfer the property.

Seventhly, That, ſuppoſing it to be a fact, proved inconteſtably by the mint-regiſters, and the average price at *Windſor*, that from the year 1300 to 1309, wheat, at its higheſt rate, was not above 7s. *per* quarter, the ſhilling weighing 264 grains of ſilver, which made the quarter come only to 1848 grains; that in the year 1581, the

ſame ſold for 8*s*. the ſhilling containing then only 60 grains, which made it exactly 160 grains *per* quarter; and that the ſame ſells now, I will ſay, at 40*s*. the ſhilling containing 86 grains, which is 3440 grains for a quarter of wheat; yet, from theſe facts no inference can be drawn that could affect any individual whatever, unleſs it ſhould be proved, that money makes part of our food, or that it is impoſſible, at this preſent time, to procure, with any *given* labour, more or leſs wheat than that identical labour could procure at that period.

Eighthly, That the *real* difference between 1848 grains of ſilver, and 3440, which is perceivable between the prices of the years 1300 and 1785, would not even be ſufficient, were it conſidered by itſelf, to invalidate, or confirm this futile propoſition, that the maſs or ſtock of money is nearly doubled in *England*; for we have already found, that, ſuppoſing the caſe of an epidemic diſtemper, which would have carried off three fourths of the people, and conſequently reduced the revenue in the ſame proportion, the price of every thing muſt have increaſed fourfold, if the three fourths of the coin had not been buried under ground; we have ſeen, on the contrary, that it has been poſſible to withdraw from circulation

tion half of the current caſh, and make good this ſubſtraction in a very advantageous manner, by introducing ſcraps of paper in its ſtead, without making any alteration in the general prices, or in the leaſt affecting the circumſtances of any one, poor or rich, unleſs ſome collateral incident ſhould intervene to bring about a change; and the leaſt reflexion will convince us, that the maſs of ſpecie might be quadruplicated in a nation, without any material variation in the prices, *if the ſum of labour, and of its products, as well as of the conſumption, ſhould augment proportionably.*

But, in ſtating that the only—the infallible reaſon for the variations of *common* prices in the foregoing hypotheſes, is the change of proportion between the maſs of ſpecie, or of the paper-currency which repreſents it, and the articles of which the one, or the other, is to tranſfer the property, there is no inconſiſtency in perſiſting to pretend that taxes add to the former prices, both the amount of the impoſt, and the profit due to the trader who advances it. But, in both caſes the progreſs is different: in the former, it is the quantity of the ſpecie actually in being which neceſſitates and fixes the prices; in the latter, it is the neceſſary advance in the prices,

that *neceſſitates* and *fixes* the quantity of ſpecie, or paper-money which is ſubſtituted to it.—Luckily, as we have already obſerved, it has been enough for *England* to find, once for all, money to the amount of 5 millions ſterling, (caſh and paper) for diſcharging to the end of time, the intereſt of a debt computed at 238 millions, the ſame currency.—But upon a ſuppoſition that the debt incurred by *France*, from the year 1774, ſhould amount to 15 or 1600 millions *tournois*, and the yearly produce of *French* induſtry in all its branches, (at the common rate of 1775) be of 2,400,000,000*l.*—the intereſt of 80 millions and upwards, to be paid for ſuch a debt, requires an adequate increaſe of taxes:—now, 80 millions *tournois* conſtitute about the 30th part of the annual revenue produced by *French* induſtry, the nominal value of which muſt be increaſed by thoſe taxes;—but as paper-money does not ſupply in *France* the place of caſh, it has been, of courſe, neceſſary to augment by one 30th, the maſs of ſpecie, which proved ſufficient before the riſe in the prices, occaſioned by the impoſt;—this maſs, it is ſaid, was rated at 2,400,000,000 of *livres*, the 30th part of which is 66,666,666 13*s.* and 4*d.* *tournois*, a very conſiderable ſum indeed; but nevertheleſs nothing more has been neceſſary, to prevent

vent any inquietude on the ſubject, than to procure that ſum, once for all; and, *once for all likewiſe*, to add thereto the effect of ſome re-actions, of which I ſhall ſpeak preſently; nothing more, I ſay, was wanted to ſecure, in an indefeſible manner, the intereſt of a loan of 1500 millions, and to ſecure it ſo as to raiſe in the minds of the holders of ſtock to ſo immenſe an amount, no other apprehenſion than that of their being reimburſed.

Some will ſay, perhaps, " this reaſoning is " frivolous, and founded on the abſurd ſuppo- " ſition of a general combination, a kind of uni- " verſal conſpiracy, in order to raiſe the price of " every thing proportionably to the *taxes*." I know that ſuch a combination, ſuch a conſpiracy is impoſſible; I know that there is not in *France* a ſingle edict, nor any particular act of parliament in *England*, to enforce, or even to permit it; but I am ſenſible that ſuch an act, and ſuch an edict, would be perfectly uſeleſs, when I ſee, that in either of thoſe countries there is not a rational being, capable of reflexion, who will not ſay, *Taxes occaſion a dreadful advance in the prices of every thing:* it is true that the order is ſometimes inverted, and then the cry is—*How cruel it is that the price of every article is increaſed, whilſt the taxes diminiſh our means of purchaſe!*—But if every article

ticle riſes in a due proportion, we muſt conclude that there is no alteration in the ſtate of the balance; for if every individual in a nation buys up, every one ſells alſo, one his labour, another his wares, a third his corn; and if every thing grows dearer, except the article you have to ſell, you muſt own yourſelf completely in the wrong: luckily the landed proprietors are as little in the wrong as they poſſibly can be; for as often as they renew a leaſe, they increaſe their rental, juſt as if they had got poſſeſſion of my *little* ſecret, or as if there were *corporations* alſo in agriculture.—The agents of induſtry are ſtill leſs liable to be in the wrong, for all their operations are founded on the following rule:—*For purchaſe ſo much,—for freight ſo much,—ſo much for taxes,—to theſe add my commiſſion or profit —The balance is ſo much, which I muſt be paid, as I ſhall ſettle with the members of my corporation.* Beſides, the commercial part of the nation is too well perſuaded how neceſſary it is to ſecure *a favourable general balance,* to be miſtaken in the means of equipoiſing their private ones.

It is my opinion, therefore, that one may, without being a conjurer, foretell that the laſt dreadful and convulſive ſhock, almoſt generally felt all over the world, will finally, and in a very little

little time, end in the looſe remembrance of ſome thouſands of hands having been, fooliſhly enough, taken from their peaceable occupations, very favourable to population, to employ them in forwarding deſtructive plans, to which many thouſands of men have fallen a ſacrifice; one might alſo add, thouſands of depredations, ſome of which, the moſt pardonable in their nature, have been puniſhed at the gallows: perhaps even they will ſay modeſtly in *France*, *We have reduced the Engliſh, but we were four to one*—and then *England* will proudly anſwer, *We have been reduced, but we were only one to four*; nor would it be at all unreaſonable to lament, that the value of 4 or 5 millions ſterling in gold and ſilver, faſtuouſly ornamented with the eſcutcheons of *England* and *France*, *to conſolidate for ever the intereſt of* 140 *or* 150 *millions*, *which conſtitute the laſt debts contracted by the two rival nations*, be not humbly ſtamped with the puncheon made uſe of to mark the plate in *London* and *Paris* . . . . . but, to ſuppoſe that there will be in *London* or *Paris* a ſingle carriage leſs! that *France* will leſſen her importation of *Engliſh* goods, or that the demand for *French* wines will be leſs from *England*—is an idea which cannot, in my mind, coincide with that of a population and induſtry which hitherto had

had ſufficed in both nations to anſwer all thoſe different purpoſes; of a population, I ſay, and of an induſtry, which will, in all likelihood, go on ſtill increaſing every day, wherever they ſhall not be checked by the laws.

One of the moſt fatal effects that ſpring from that increaſe in the prices, occaſioned by the impoſt, is, as they ſay, the impoſſibility to which a country is reduced, of ſupporting abroad the rivalſhip, the competition of a nation leſs burdened with taxes, who of courſe can, they ſay, underſell every thing.

Such is, in fine, the queſtion which I thought the faſtidious details I have entered into, ought to preface, and might render of more eaſy ſolution. But I requeſt the reader to examine previouſly,

1ſt, Whether an acceſſion of wealth, an addition of gold and money to the circulation, would not increaſe the prices of every thing, as neceſſarily as taxes muſt do it;—2dly, If that increaſe in prices, procured by wealth, would not be accompanied with the ſame inconveniences in regard to the ſupporting of a competition abroad; —and, 3dly, If the ſtranger to whom we ſhould declare

declare ourſelves compelled to ſell him our goods dearer, *becauſe we are grown richer than the rival nation*, would not have the ſame anſwer to give us, as if he were told, *that the cauſe of the advance in the price is, our being loaded more heavily with taxes.*

If theſe three queſtions cannot be anſwered but in the affirmative, we ſhould then be obliged to ſuſpect that there is ſomething inexplicable, ill judged, and not better grounded in the clamours which reſound in every part of *England* on this ſubject; and this ſurmiſe might perhaps incline the reader to peruſe, without prejudice, what I am going to ſet down, with no other view, than to find out ſome uſeful truths.

On the Influence of the National Prices on the Sales in Foreign Markets.

THE impoſſibility of a competition in trade with thoſe who can afford cheaper, *in money*, the articles which are to be the object of ſuch a trade, is ſo affirmatively maintained, and this principle is ſo ſelf-evident, when applied to two manufacturers in the ſame town, circumſcribed in their ſelling as well as their buying, within the precincts of the ſame country, where the one ſhould always

always procure for 3, what the other would have the ſtupidity to buy conſtantly at 4, that it becomes pardonable (if one carries the extravagance no farther) to admit of this idea, taken in a moſt comprehenſive manner, as one of thoſe trivial truths, which are not worth being ſearched into. But I muſt own, that my reflexions on the pretended neceſſity of keeping the commercial balance conſtantly in *favour*, have made me rather circumſpect in giving credit to opinions the moſt generally received.

It will not be in regard to the ſituation of a country, which might allege a difference of 7 or 8 *per cent.* in its prices, as an inſurmountable bar to competition, that I ſhall examine in what manner that very competition might be eſtabliſhed; I ſhall ſuppoſe a nation in the 6th, 7th, and 8th *hypotheſes*, wherein wheat is rated at 40*s. per* quarter, by a ſeries of revolutions in the coin, or a multiplication of taxes, or by an increaſe in wealth; and I ſhall place it in oppoſition to another nation, conſidered as paying few or no taxes, and humbly conſuming her wheat at the rate of 26 or 27*s.* the quarter.

In order to render the effects of the diſproportion more ſenſible, I ſhall further ſuppoſe, that

that the ſhilling in both nations equally contains 86 grains of ſilver at the ſame ſtandard.

Before theſe two nations be repreſented as vying with each other in the foreign markets, I ſhall, in the firſt inſtance, examine, whether it might not be poſſible to ſettle between them a direct trade, equally advantageous to both; for if this be practicable, why ſhould not the competition be ſo likewiſe?—Is not the trade of each competitor a direct one with the nation, in which he vies?—And if, in this caſe, there be a ſure and equitable principle for one of the competitors, why ſhould it not be ſo for the other?

A neceſſary Principle of Trade, conſidered both as direct, *and* in Competition.

IN all imaginable ſuppoſitions, Commerce is nothing more than the exchange of one want againſt another want, or of one fancy againſt another fancy; or, in fine, of a fancy againſt a want. All idea of a commerce between two nations, as between man and man, carries with it two objects different in their nature, or their form; and the relative value of theſe objects muſt eſſentially be previouſly determined by ſome general principle, if we mean not to tranſact buſineſs in the dark.

Now,

Now, the nation ſo rich, or, in other words, ſo over-loaded with money, as to have raiſed, at home, the quarter of wheat to 40*s*. can certainly have no real intereſt in taking away the ſmall portion of the other, ſo ſcantily provided, that ſhe is obliged to ſell for 24 or 27*s*. that which fetches 40s. to the former; for, after all, what would be the conſequence of this ſpoliation? It would ſerve only to leſſen, in the opulent country, the value of the precious metal already ſo much diſparaged there. What then will be the caſe, if both have ſenſe enough to prefer real enjoyments to chimerical poſſeſſions, or rather, profit to loſs?

After the firſt years, deſtined, ſince the eſtabliſhment of Societies, to be ſpent in endeavouring, if poſſible to cheat each other, it will certainly become indiſpenſable to agree upon a fixed rule of appraiſement, as unexceptionable for one country as for the other. Now, in the ſuppoſed ſtate of the queſtion, money cannot be that rule; for one of them demands none, and the other is not willing to part with any, not out of regard for the *favourable balance*, but becauſe ſhe would get leſs by the exportation of her money, than of her goods; it will therefore become neceſſary, for the reſpective advantage of the parties concerned,

cerned, to agree, that the labour of 10, of 100, of 1000 men in one country, ſhall be looked upon as repaid by the labour of the ſame number of hands from the other, upon a tacit proviſo nevertheleſs, that the reſpective merchants in both nations ſhall have it in their power to ranſom their countrymen, according to the proportions eſtabliſhed in both countries, *a little* by the degree of eſtimation in which commerce is held, but a *great deal* by the degree of foreign competition by which the natives are or will be kept or called to order.—And what is required to prevent any injuſtice, and, above all, any miſtruſt from the merchant of one nation towards the merchant of the other?—Nothing more than to follow the practice almoſt generally eſtabliſhed all over *Europe*.—The merchant in *Rome*, I ſuppoſe, will ſend his ſon to his friend in *London*, and *vice verſâ*. Now if the *Roman* perceives that in *London*, where a quarter of wheat coſts 40*s*. the article he propoſes to buy is commonly ſold at 80*s*. he will readily conceive, without having gone through a courſe of algebra, that ſome other article, which is beſpoke of him in exchange, going for 54*s*. in *Rome*, where wheat is at 27*s*. *per* quarter, he will exactly pay, value for value, according to the balance and weight of the commercial ſanctuary, the 80 of *London* with the 54 of *Rome*.

It appears to me that matters thus ſettled, might remain ſo for ever, without inconvenience, without any alteration of prices, in either of the two nations, had not Nature, either from mere caprice, or to make men, in ſpite of themſelves, dependent on each other, and oblige them to look on one another as brethren, eſtabliſhed certain unknown rules, in conſequence of which, that very ſame wheat, which would coſt only 26 or 27*s.* at *Rome*, we have ſuppoſed, and 40*s.* in *London*, this ſame wheat I ſay, the ſtaff of life all over *Europe*, every where accounted the ſtandard of labour, and every where cultivated in proportion to its common neceſſity, is at times nevertheleſs at one place in great plenty, and very ſcarce at another. Now it ſeems to be a matter of perfect indifference, that in regard to any other article a merchant ſhould ranſom his wealthy fellow citizen, a landed proprietor, by charging him, for inſtance, 30 crowns for an *Engliſh* trinket, originally purchaſed for no more than 10, as an equitable meaſure between labour and labour: it is the younger ſon who robs the elder brother, to provide againſt the right of primogeniture; or, in other words, it is no more than the transferring of a few crowns, from a very valuable hand, that of the conſumer, to another equally precious, that of an agent of the production:

duction: but it is of the utmoſt conſequence for the Sovereign, that, in a time of ſcarcity, inſatiable men, were they even his ſubjects, do not preſume to aſk 4000 grains of ſilver for a quarter of wheat, upon pretence that in *England*, from whence it was imported, they have paid for it 3440 grains, (for it is always upon ſuch *victorious arguments* that the national monopoliſt endeavours to defend his extortions, in times of diſtreſs); the difference is ſo great between 4000 grains of ſilver, and only 2200 or 2300, the common price by which that of labour is regulated in my hypotheſis, that all the treaſure ſhut up in the caſtle of *St. Angelo* could not prevent half the inhabitants from ſtarving for want of food in a time of dearth. Luckily, however, this miſfortune may be obviated by one of the grandeſt operations in finance, that can poſſibly be conceived; for the object is no leſs than to oblige the people to pay in good earneſt for their wheat in a moment of ſcarcity, at the rate of 4000 grains of ſilver *per* quarter, a price ſo far above the means of that very people, to whom the intention is to ſhew ſome favour. This financiering operation is founded on the following remark, obvious to the meaneſt capacity, and perhaps not unworthy of being deeply ſearched into by a judicious obſerver.

Were the wheat in *England* to coſt only from 26 to 27*s. per* quarter, the landed revenue, now called 63 millions, would, in fact, amount to no more than 42; this cannot be controverted: in this caſe every thing would be paid for in proportion, and certainly no one could gain or loſe by it: therefore if we invert the propoſition, *i. e.* if the quarter of wheat riſe to 40*s.* at *Rome*, inſtead of 27*s.* and the other productions of the earth and of induſtry riſe in price in the ſame proportion, as well as the labour by which they are procured, the revenue of the Eccleſiaſtical State, which, in the preſent ſuppoſition, would be only 10 millions ſterling, would ſwell ſuddenly up to 15 millions, without any one being a ſufferer.—When the queſtion is, only to take a *nominal* ſhare in the moſt dreaded effects of the *Engliſh* taxes, in order to procure ſuch an addition of wealth, and get rid, at the ſame time, of all fear of ſcarcity, it would be very wrong to reject the expedient.—Money, it is ſaid, is wanted to carry on the whole circulation at that rate;—but, in *England*, where, by a ſingle nod, they attract money from every part of the globe, do they not make guineas with paper?—Why ſhould they not, at *Rome*, make as many paper-crowns as are neceſſary to facilitate a general circulation of the

products

products there? Theſe products are ſo wiſely raiſed in price from 27 to 40*s*. that the number of grains of ſilver neceſſary to purchaſe a pound of wheat, made into a loaf, being now nearly upon an equality in *Holland*, in *France*, and at *Rome*, the national trader, whoſe buſineſs it will be to guard againſt ſcarcity, *and the foreign merchants who will be invited to concur in remedying the evil*, will no longer be able to add to the price of wheat, any more than a reaſonable compenſation for his advance, trouble, riſque, and the quality of the ſervice rendered: a compenſation beſides, on the extent of which it will be much more difficult to impoſe upon the Sovereign, or any one elſe, at leaſt beyond a certain degree: to this advantage let us add that of keeping the needy from the thoughts of deſtroying that wealth which has been gleaned by former ſervices.

In regard to the confidence neceſſary to favour that paper money, with the ſame degree of value as that of *England* has obtained, I confeſs that I do not heſitate to ſuppoſe, that the paper-money of a Sovereign is never deemed contemptible, but when an opinion prevails that he himſelf will deſpiſe it; and I dare ſay (were I to be charged with a want of modeſty) that the public is too deeply intereſted in the inferences that may

be drawn from my arguments, for their conſiſtency or abſurdity not to be very ſoon demonſtrated: now, ſuppoſing them to be conſiſtent, I think it would be, *then*, beyond all poſſibility, even to imagine a circumſtance wherein the intereſt of a Prince could induce him to diſhonour himſelf. This great truth, generally acknowledged, could not long remain ineffectual.—But this is not the matter in point.

The caſe in point is, to obſerve,

Firſt, that, in the ſame manner as foreign coin is reſolved into the quantity and ſtandard of the metals that compoſe it, in order to know how much of the national coin may be given in exchange, juſt ſo all kinds of foreign commodities are reſolved into the quantity of labour contained in them, or ſuppoſed to be ſo, that the quantity of national labour, correſponding thereto, may be aſcertained:

Secondly, that therefore, labour alone being the ſtandard of value, *labour* is conſequently the only *ſtandard* that can regulate the exchanges between one nation and another:

Thirdly, that the national prices, or, to ſpeak more properly, money is, in fact, the moſt proper

proper ſtandard of labour between two manufacturers in the ſame town; and that nothing but the miſconduct and unreſtrained cupidity of the one, can prevent him from ſelling his goods at the price by which the other clears a profit that ſatisfies him; but in each country the common price of labour being arbitrarily determined by the common price of the materials neceſſary to ſet the labourer at work, the common price of wheat is, in fact, the meaſure of the common price of labour in all nations:

Fourthly, that it is impoſſible a nation ſhould be willing to barter a greater quantity of its own labour, againſt a leſs quantity of the labour of another; *and yet it is to ſuch a degree of abſurdity, that we muſt reduce the ſuppoſed* advantage of the *dreaded* competition:

Fifthly, that the liberty of exporting corn, even under its preſent reſtrictions, makes, as it were, of all *Europe*, at this day, *only* one family; that, on the whole, there is conſtantly as much of that indiſpenſable commodity as is neceſſary for all the family; but that a man whoſe folly would be to trace out, deſcribe, and acknowledge, throughout every thing that concerns ſociety in any eſſential point, the ſtamp of an univerſal benevolence, determined to unite all men together by their wants and intereſts if it is impoſſible to

do it by more diſintereſted motives, would not prove too inconſiſtent in a fit of that folly which might induce him to ſuſpect ſome marks of that ſtamp, even in the bad ſeaſons, in the ſtorms which ſucceſſively viſit all the parts of the world, make them all ſenſible of the neceſſity of ſuch union, and ſoon bring nearly upon a level, all the different prices of that indiſpenſable commodity, the cultivation of which requires, almoſt every where, the ſame labour, or which, by its quantity, always anſwers, upon an average, to the labour beſtowed upon it:

Sixthly and in fine, that hence reſults the impoſſibility that there ſhould long ſubſiſt, in the prices of any thing, a difference capable of making any competition whatever, formidable *to any man who will not be ſo unjuſt as to wiſh and aſk beads of gold for beads of glaſs, or, in other words, to try in bartering, to obtain the labour of* 150 *in exchange for that of* 100 *only.*

Let us ſuppoſe, nevertheleſs, that there ſhould exiſt at this day, a nation pretending to be formidable in her competition, and who ſhould only be, in fact, remarkable for her folly, that is to ſay, a nation ſo very blind, as to endeavour to keep the price of her wheat under that of all other

other countries; I agree that the labour of her artiſans would be rated in conſequence, and that the produce of her induſtry might thus be purchaſed at a lower rate than that of any other nation:—but what advantage could ſhe derive from thence in a competition abroad?——Though ſhe ſhould denominate at home the ſum of her exports, only *one million* for inſtance, becauſe ſhe would call 100, the quantity of wheat, which elſewhere would be called 150, how could ſhe require leſs for her returns than the other countries, who, by the price of their wheat, would be compelled to call 1,500,000 that which ſhe herſelf would call 1,000,000?—Would not this million repreſent, as really, the labour of 75,000 of her workmen (their families included), as if it were by her denominated 1,500,000*l.*?—Beſides, the place where ſhe has carried her goods is not the end of her voyage; and it is ſo much more neceſſary for her to obtain in return the produce of 75,000 labourers (families included), adequate to what ſhe herſelf has given, as being obliged to carry thoſe returns home, where every thing ſells, in the *hypotheſis*, 50 *per cent.* below the price they would fetch any where elſe, ſhe would loſe in lowering the rates of her exports, all the fruit ſhe might expect to reap from her voyage.—This is what eſcapes obſervation.

obſervation. They ſee nothing but money in commercial operations, inſtead of obſerving that all the nations in *Europe*, neither do nor can require, and that *England* herſelf does not preſerve more of it than *the ſum neceſſary to anſwer thoſe five articles* of which I have ſpoken in examining her balance: I ſhall in the ſequel bring ſome proofs, in addition to thoſe I have already given; but I think I have ſaid enough here, to juſtify me in *inſiſting*, that the competition can be dreaded by the unjuſt man alone, by that man who wiſhes to ſell the labour of 100 workmen as if it were the labour of 150, and by that man, not leſs unreaſonable, who, compelled to ſell his own goods 10 *per cent.* dearer, ſhould refuſe to pay alſo 10 *per cent.* dearer for the foreign goods which he would aſk in exchange.—If that principle—a principle of the ſtricteſt juſtice, is ſtill unknown in *Europe*; as an *American*, I glory that it is not ſo in *America*.

Reflexions on a Letter from Philadelphia, *inſerted in the* Engliſh *News-papers.*

A Merchant of *Philadelphia* offers to his former *Jamaica* correſpondents, (ſee *Morning Chronicle* and *London Advertiſer* of June 24, 1785) to

to ſerve them, with all ſuch articles as they may require, at the current price of *Philadelphia*, only with the addition of freight and the uſual commiſſion. In order to render his propoſal unequivocal, he mentions ſtaves, and makes a calculation, by which it appears that he could not land them in *Jamaica* for leſs than 12*l.* 19*s.* 1½*d.* currency per thouſand; he then adds:

" By this calculation it appears, that ſtaves " would come conſiderably higher than they " uſed to be in *Jamaica* before the war: it is " true they are ſo, but it is owing to their being " riſen at *Philadelphia* nearly 100 *per cent.* Of " *courſe*, *Jamaica* prices muſt be in proportion; " *for it would be unreaſonable* to expect goods of " *Jamaica* at the old prices, when thoſe of *Ame-* " *rica* have advanced ſo conſiderably."

I ſhall venture upon ſome remarks on the foregoing propoſition.

Firſt, The *Philadelphian* has ſenſe enough to feel, that the war muſt advance the price of goods from the Colonies, in a due proportion to the general increaſe in prices of all that is carried there. In *Europe*, on the contrary, people are not only ſtrangers to the idea of that univerſal chain, but they

they are ſo convinced, or rather ſo perſuaded, that *the Colonies were created, and do actually exiſt, for the ſole pleaſure and intereſt of their reſpective metropoliſes*, that no imaginable means are ſpared to leſſen the price of their products in the mother country who receives them, in order that *this tender mother* may ſell them at a cheaper rate in the foreign markets; but, ye mother countries! your coloniſts are alſo your children, foreigners are only your brethren.—It muſt be owned, however, that the coffee, indigo, and cottons, of *Jamaica, Grenada, Guadaloupe, St. Domingo*, &c. are no more the *territorial commodities* of *England*, and of *France*, than the corn and other productions of thoſe two kingdoms; and that the arguments adduced in regard to the colonies, are, as *Montaigne* ſays, *of a piece* with that by which they prove, that, THE CHEAPER THE CORN, THE MORE BRILLIANT IS THE COMMERCIAL COMPETITION.—*Were not Nature by her underhand work conſtantly fighting, with ſome advantage, againſt the dreams of ſpeculators, to what pitch of miſery would not agriculture be reduced in all parts of the world!*

Secondly, War has been productive, in the United States of *America*, of the ſame effects which

which attend it every where elſe, viz. an augmentation in the price of every thing.

Thirdly, The increaſe of nearly *cent. per cent.* aſſigned to the ſtaves, does not determine the general advance of *American* goods; the exceſſive, but inſtantaneous price of one article only, denotes an extraordinary demand for that object, and the actual impoſſibility of anſwering that demand; the level, ſo neceſſary in all prices, naturally returns as ſoon as the medium of the demand is known, and has determined the number of hands neceſſary to ſupply it: now it cannot be doubted, but that the goods in *America* muſt have advanced in price, much more than any where elſe, becauſe the expences of the Colonies have been, during the war, relatively ſpeaking, much more conſiderable than any where elſe, conſidering the diſcredit inſeparable from the precarioufneſs of their ſituation. But the difference between their inland *common* prices, and thoſe of *Europe*, was ſo great (this will preſently be ſeen), that they may increaſe them enough to pay off the intereſt of their national debt, and yet keep the *European* prices at a diſtance.

Fourthly, The United States are now a foreign nation in regard to *Jamaica*, which belongs

longs to *England*; yet this conſideration does not render them ſo far unjuſt, as to ſhake off the burden of their taxes, and fix it on the inhabitants of *Jamaica*; they only make them nominal partners in that burden, (if the expreſſion may be allowed), without any inconvenience ariſing therefrom to either of the parties.

Fifthly, They have the true notion of an equitable trade, founded on the continuation of former relations between goods and goods; a principle from which I only draw inferences relative to the national debt, and which ſuffices to deſtroy all the *hideouſneſs* of that phantom.

Sixthly, They do not pretend, with the *Europeans*, that the increaſe in the national prices, can in any thing affect their exportation; but they have found, that being obliged to ſell dearer, it was their duty to offer very frankly to pay alſo dearer for whatever they wanted in return.

Seventhly, They do not entertain the leaſt doubt on what *ſeems* to be unknown in *Europe*, namely, that the real benefit of a voyage can be found only in the price which the returns will meet

meet with, when arrived in the country where the voyage is to terminate.

Eighthly, In the union, and in the execution of theſe different points, centers the little myſtery, by means of which Nature has hitherto filled up by ſlow degrees, and by which the *American* propoſes, without thinking ſo to do, to fill up with more diſpatch, thoſe little *furrows* of taxes, the very name of which is now a bugbear, but would ceaſe to be ſo, if the manner in which they are planned, impoſed, and above all, collected, did not prolong and increaſe the real and momentary evil, which will ever be inſeparable from them.

Ninthly, It is ſingular enough, that the *European* cultivator ſhould be taught by the *American* trader, *the neceſſity and the juſtice* of an increaſe of price in the *productions* of the earth, *proportionable*, ſays the honeſt *Philadelphian*, *to that which is to be met with in the price of the productions of induſtry :—It would be unreaſonable*, ſays he, *to expect the goods of* Jamaica *at the old prices, when thoſe of* Philadelphia *have advanced ſo conſiderably*.—Nay, ſay the *European* manufacturers, ſince our goods, by means of the taxes, have increaſed 10 *per cent.* it follows neceſſarily that the price

price of wheat, ſugar, indigo, &c. ſhould fall in the ſame proportion, in order *that the trade in competition may be ſupported abroad*;—*had not Nature, by her underhand work, conſtantly fought with ſome advantage againſt the dreams of ſpeculators, and againſt the much more dreadful ſurreptions of cupidity, to what pitch of miſery would not agriculture be reduced in all parts of the world!*

The following eſtimates may be of ſome ſervice; their utility is independent of the abſolute preciſion of the facts on which they are founded; one may, as occaſion requires, extend or contract the compaſſes.

Previous to the laſt war the common price of wheat was, upon an average, in *America* about 20*s.* ſterling *per* quarter, (vide Mr. *A. Young's Political Arithmetic*).

If in *England* a population of 9,000,000 of induſtrious inhabitants, yields a landed revenue of 60,000,000*l.* ſterling, the wheat being there at 40*s.* *per* quarter, a population of 3,000,000 of induſtrious inhabitants in *America*, where wheat ſells at 20*s.* a quarter, ought to produce *at leaſt* a landed revenue of 10,000,000*l.* ſterling; I ſay *at leaſt*, firſt, becauſe the land is new, and produces

produces as much, with leſs culture; and ſecondly, becauſe that part of the inhabitants employed in agriculture in *England*, conſtitute only one third of the whole population, and that in all probability, above two thirds of the *Americans* are employed in works of huſbandry. It may therefore be preſumed, that their landed revenue exceeds 20,000,000, inſtead of the 10 which I have ſet down; but this ſurplus of 10,000,000, only ſerves to make good both the national and foreign induſtry, which is to balance it, and pay off the taxes: ſo that, in whatever light my *theſis* be conſidered, every error turns to their advantage.

In limiting their landed revenue to 10,000,000, their wheat remaining at 20*s*. *per* quarter; let every one judge what load of taxes they could bear, before the price of their wheat and other territorial productions, ſhould come up to that of the ſame commodities of *Europe*, even including the expences for the export of their ſurpluſage.

Let every one judge alſo of the neceſſity of their bankruptcy, the idea of which has been ſo fondly cheriſhed by ſome low-minded people, and the narrative of which, they feared perhaps

themſelves, would unavoidably ſtain the firſt pages of the hiſtory of their political exiſtence.

The laſt war, it is ſaid, has loaded them with an intereſt of 1,000,000 *per annum*. Would a tax of 10 *per cent.* on every article, or rather on the total of the produce of national, as well as foreign induſtry, *conſumed within the country*, be productive of any other effect, but that of increaſing the prices nearly as much? and would the cultivators of wheat and other productions of the earth, have occaſion for any other expedient to pay the tax, *without being at any expence, without any one being aggrieved, (provided they ſhould raiſe in the ſame proportion the price of labour attending cultivation)* but that of advancing, in the mean time, the price of their wheat, and other productions of the earth, from 10 to 11 or 12, from 20 to 22 or 24?—This is the caſe in my firſt *hypotheſis*, with this difference, that the 21,000,000 intereſt, mentioned therein, repreſented highways, havens, canals, public ſchools, &c. and that the intereſt of 1,000,000, in the United States, will repreſent the eſtabliſhment of their independence. Such a monument is, in my opinion, too precious to admit a thought of deſtroying it by a reimburſement,—*a reimburſement*

burſement palpably uſeleſs ſo ſoon as the price of every thing is reſtored to a level with the intereſt of any national loan whatever.

They have committed ſome errors; more will follow: they know not what to fix upon; nor will they know for ſome time, perhaps for a long time.—Is there a State in *Europe* that can reproach them with any falſe ſtep, of which that very ſame State did not ſet the precedent at ſome period of its hiſtory?——But with their principle concerning exportation, a principle founded on juſtice and evidence, they have already perceived that the neceſſitated price of 22 or 24, inſtead of 20, muſt be felt in their country alone; and if their commodities exported for the purpoſe of procuring ſuch articles for their home conſumption, as they ſtand in need of, continue ſtill to yield them the ſame quantity of thoſe articles of conſumption, as were obtained before the war, will they not perceive that the home prices, which the re-action of the taxes ſhall have ſet upon the whole of their productions, eſtabliſh in the country an exact balance of thoſe new prices at which the taxes will oblige them to ſell the articles to be imported?

Compelled by neceſſity to have recourſe to paper-money, will it be long before they are

made ſenſible, that nothing more than internal credit is wanted to make this paper equal to coin, and anſwer all its purpoſes for ever, if they ſhould be thus wiſely inclined,—if this meaſure ſhould be found the only means of curbing effectually the cupidity of thoſe with whom they ſhall have occaſion to trade?

Will it be long before they perceive, that this credit will follow cloſe upon the ſolidity of public engagements,—a ſolidity demonſtrated by the evidence of the inutility of a baſe and infamous robbery?

Will it be long before they feel that all the actual wealth of a State, its real wealth, is nothing more or leſs than the maſs of its preſent induſtry; that all its *poſſible* wealth can ariſe only from the ſum of all its *poſſible* labour; that the greateſt riches are only the greateſt ſum of labour? that if this labour is a bitter pill, the gold and ſilver in which it is wrapped up, are only (like honours, titles, dignities, fame, eſteem, &c.) different kinds of powders, which ſweeten the taſte of it to thoſe who are ignorant of its value, to thoſe who know not how neceſſary labour is to ſupport every day, without being weary, and ſometimes without regret, the wretched burthen of

of our lives; and in fine, that paper, *once got into credit*, can, in this reſpect, be an ample ſubſtitute for gold and ſilver . . . but how many circumſtances, where gold and ſilver cannot ſupply the want of credit?

Will it be long before they become ſenſible, that they are clogged in no part of their legiſlation, by thoſe prepoſterous maxims which can be juſtified only by the circumſtances that gave them birth, by thoſe tyrannical regulations which owed their ſucceſs wholely to the ignorance of their cotemporaries, by that chaos of contradictory regulations, all of which became perhaps neceſſary by degrees, after the firſt was extorted by cupidity?*

Under

* One of the moſt reſpectable *Engliſh* writers has been charged with having entirely given up the *American* cauſe, which he had hitherto ſo ſtrenuouſly ſupported; in my opinion it is a miſtake. It was not to the *Americans* that the Doctor was attached, it was to certain maxims, plain but fertile, by which they ſeemed to have been directed, and which the ſaid author, eſtabliſhes and recommends as the only guides for all Princes and Nations, to lead them to that point of proſperity the limits of which can be preſcribed by Nature alone; the *Americans* moſt probably will return to thoſe maxims, and I preſume to think, that they will inſtantly be reſtored to the favour of that worthy Divine; my opinions ſo nearly approach to thoſe of that

Under what Point of View Premiums and other Encouragements of Exportation may be conſidered.

THE principles of the *Americans* concerning exportation, lead us to the examination of the doctrine of premiums.

If

honeſt man on every point that truly concerns ſociety, that I wiſh either to convert him, or to be perverted by him, with regard to the reimburſement. I muſt confeſs, that if the ideas which are the ground-work of my principles, be falſe, the error is mine alone; if I am right, the miſtake of the Doctor, (like the imperfections in *Shakeſpeare*), is the fault of his age, not of himſelf. I ſhall further add, that the reimburſement, according to the principles I have laid down, is not a meaſure by any means marial to the State; it is only a trifling injuſtice done to very little purpoſe, and not even ſuſpected by thoſe who ſuſtain it, a *je ne ſais quoi* giving to one a little credit and a little uneaſineſs to others, keeping *the bulls and bears* in ſpirits and the writers of paragraphs in full employ, but luckily productive of a light and tranſitory ſenſation only, and even that in a ſmall part of the machine: ſo little is reimburſed at a time! ſo ſoon is one tired of reimburſing! Preſently, the only eſſential object, the price of every thing ſhapes itſelf ſo well by the circumſtances attending the reimburſement, that I ſhould not heſitate to aſcribe the ordinary, the infallible reparation of all evil, to the credit of one ſole principle of all good, were it not my invariable maxim

If the want of objects, capable of exerciſing advantageouſly the induſtry of a numerous and active people, ſhould compel government, *on account of ſome difficulties unconquerable by art and nature*, to apply that induſtry to ſome other object, on which it would be impoſſible to ſupport abroad the competition of another nation, that is, to offer equally with the

maxim (as it is the Doctor's and his friend *M. Turgot*'s) not to ſcandaliſe even thoſe who do not believe in God.

There is a prejudice much more unaccountable in *England*, in the proud *England*, than the whim of a national reimburſement; it is that prejudice which all the *hired* writers, *pro* and *con*, endeavour to propagate from age to age in all countries, a prejudice, on the deſtroying of which every unhired writer can never be too intent, that prejudice ſtating, that *the proſperity of a State depends on one ſingle individual*. Where is that *Phœnix* to be found? There are always two pretenders at leaſt, who cry at once, I AM THE MAN, and a thouſand voices exclaiming together, HE IS THE MAN. *The proſperity of a State, be its extent what it may, ſolely depends on its agriculture, its induſtry, its knowledge, and on that degree of liberty with which thoſe three objects can exert themſelves in every way.* This is the grand truth which ought to be impreſſed on every mind.——Let one great man die in a country where great men are appreciated——ſtamp on the ground, and ten ſuch men will ſtart up: many more will ſtart up when every body, without reſpect either to face or maſk, is at liberty to ſtand as a candidate.

latter an even quantity of labour of one ſort, for an even quantity of labour of a different one, there is no doubt but, in ſuch a caſe, a certain premium, to maintain the competition with the country moſt partially favoured by art and nature, would prove, of all inſtitutions, the moſt judicious and the moſt humane; it would be a kind of indirect tax in favour of laborious indigence; a tax, much more eligible than many others, which, though deſtined to the relief of wretchedneſs, often increaſe it, by checking the efforts of induſtry, by even providing a reſource for idleneſs, and ſometimes an alluring, a comfortable proſpect for debauchery.

It was repreſented to a Prince truly worthy of the throne he fills, that a manufactory, in which 8 or 900 perſons were conſtantly employed, ſtood him in 4 or 5,000 crowns more than it produced. *How!* (replied the Sovereign) *does it coſt me no more than* 4 *or* 5,000 *crowns to feed a thouſand beggars, and keep them conſtantly at work? It is a cheap bargain indeed!* The moſt ſubtle of all miniſters of ſtate could make no other reply to ſuch an anſwer, than to propoſe ſome means, equally effectual, and calculated to attain, at a cheaper rate, the two moſt important ends that a prince can have in view,

deſtroy-

deſtroying beggary, and, in a manner, *creating labour.*

There are, no doubt, ſome other circumſtances, which may alſo juſtify premiums on exportation; for inſtance, the wheat intended for exportation, is an indiſpenſable article amongſt the neceſſaries of life: it conſtitutes one third, ſometimes the half of a nation's riches; it is *eſſential* that it be not in ſuch quantity as to fall in price, becauſe the diſparagement of its value would diſcourage the cultivator; yet it is advantageous that there ſhould be, upon a medium, a little more than is wanted, in order to keep it at the medium price it ought to fetch, that *one may have it in his power to purchaſe that which another wants to ſell.* The firſt thing therefore to be examined is, whether the medium price, at which it muſt be kept, in order to equipoiſe the quantity of national induſtry which it muſt repreſent, be not ſo conſiderable,

Firſt, By reaſon of ſome prohibitory act, forbidding the exportation of other productions of the earth, which, by this means, become cheaper than they were before this act took place, oblige the cultivator to advance his price in the others, that the whole may be raiſed to the level of induſtry:

Secondly,

Secondly, By reaſon of ſome other premiums on exportation, granted to various branches of the national induſtry, which, on that very account, are grown not only much dearer within the nation, but have alſo enhanced the price of all other correſponding commodities, by withdrawing from them, hands which would have increaſed their quantity :

Thirdly, In conſequence of ſome prohibitions or reſtrictions equivalent thereto, which afford to the national manufacturer the means of ſelling his goods 10 *per cent.* dearer than he could do, if ſuch reaſonable duties were laid upon foreign induſtry, as would leave national induſtry in poſſeſſion of the advantages, which ſhe has a right to, and deprive her only of the iniquitous privilege of ranſoming thoſe by whom ſhe is foſtered :

Fourthly, By the effect of thoſe bodies corporate, *(corporations)* which, if juſtly appreciated, are but ſo many private conſpiracies againſt the public, whom they ſtrip of the benefit of *national* competition, after having wreſted from them the advantages of *foreign* competition, which would ſoon have been followed by the former, *infinitely more important than the other.*

If

If the reſult of the propoſed enquiry ſhould ſhow, that one of theſe four cauſes, or rather all of them together, have entirely perverted the natural price of every article in the nation, it ſeems to me that it would be worth the attention of the legiſlature to examine alſo, whether the repeal of all premiums, prohibitions, reſtrictions, and other devices of the various paſſions of the human heart, either to claſh againſt each other, or to balance their reſpective injuſtice, would not prove adequate to the only aim which we may reaſonably wiſh to attain, I mean that of *keeping, at the leaſt expence, a juſt equilibrium between national agriculture and induſtry, by ſecuring to both, at the leaſt expence, all the advantages which they have a right to expect from the agriculture and induſtry of other nations.*

But if indeed we were fettered by the errors of paſt centuries, it would then be neceſſary to grant, *in the fulleſt extent*, the wiſhed-for premium on the moſt important article; do nothing more for the preſent, but refuſe new ones to all the reſt; watch attentively the favourable minute for the reſtoration of natural order, and forward it, perhaps, by convincing every one, that the moſt neceſſary of all premiums would have proved uſeleſs, had it not been

been preceded by prohibitions, reſtrictions, corporations, &c. *the end of which is as manifeſtly unjuſt, as their effects are injurious to all but thoſe who ſue for them*; and that, in fine, a premium granted under a circumſtance the moſt likely to juſtify ſuch a meaſure, is not, as ſeveral people have hitherto imagined, a neceſſary means of maintaining elſewhere a foreign competition, but a very inadequate compenſation for that foreign competition of which we are deprived in ſo many reſpects.

On the Influence of the various Kinds of Taxation upon National Prices.

IF I miſtake not, I have proved that it is indifferent to agriculture and induſtry, whether the prices riſe or fall, provided it be always in a due and reciprocal proportion. Nor is it leſs indifferent, whether the increaſe proceeds from taxes, from monopoly, or from acceſſion of wealth, and whether the decreaſe be brought about by the extirpation of monopoly, or by the triumph of ſmuggling; ſo long as the prices balance each other, no one can be injured however loud people may be in their clamours; it is impoſſible to ſhut one's eyes againſt the evidence of ſuch a point. Why then ſhould we deny

deny the conſequence which naturally follows, of the harmleſſneſs of taxes in themſelves, the impoſſibility of their producing in any one's ſituation, any thing beyond a momentary ſenſation, *when they are laid with diſcernment*; and the futility of either fears or hopes entertained of their ending at laſt in a national bankruptcy?

Yet, "to enjoy, is to obey," ſays Pope:—To make the beſt uſe we can of the creation, is the thankſgiving the moſt worthy of the Creator.—There is not a man therefore who ought not to repine at ſeeing the general rate of prices increaſe in vain, ſince this very riſe compels us to laviſh, in coin, a conſiderable quantity of thoſe two precious metals, gold and ſilver, which would prove more agreeable, if turned into plate, or even into ſmall pocket-ſtatues, deſigned for the private worſhip of thoſe who would bluſh only in public, for this kind of idolatry. I ſhould like therefore to examine, in regard to prices, what is *natural*, what *neceſſary*, and what *forced*; in order to find out what might be ſaved, if people would attend only to the neceſſary average.

In the firſt period of Societies, when they knew of no other want in the State but perſonal ſervice,

vice when it was neceſſary and poſſible, the common price of the articles then in circulation, was determined by the quantity of coin *then* exiſting in the nation: this is what may be juſtly termed the *natural price*. At this preſent time, when money is ſubſtituted to perſonal ſervice, and ſupplies ſo advantageouſly its place; when each repreſentation of an extra ſervice leaves on every article, the ſtamp of a ſeal, which, without adding to the real or relative value of *any thing*, increaſes nevertheleſs the nominal value of *every thing*;—at this preſent time, when every nation has all the induſtry neceſſary to procure the coin wanted for this over-charge, *it is the price, which this very over-charge ſets upon the different objects, that regulates and attracts the quantity of ſilver to correſpond therewith*; and this price, which may be called *neceſſary*, is often evidently *forced:* I ſay, *evidently*, becauſe, in the ſtate of general correſpondence, or, if you will, of that happy dependence wherein all the States of *Europe* ſtand reciprocally towards each other at this hour, when we ſee in one country the ſame objects, of the ſame quality, wrought with equal ſkill, 15 *per cent.* dearer than any where elſe, who can doubt but a part of that difference, of that extraordinary price, proceeds from taxes, and the other from monopoly?

But

But what part belongs to this, what part to the other? This is not ſo eaſily found out; 1ſt, becauſe the part which is the work of monopoly, ſolely depends on the moderation of the monopoliſt, who never fails pleading the taxes for excuſe; and, 2dly, becauſe that part, which proceeds from the taxes, depends not only on the tax itſelf, but alſo on the manner of laying it, and on the effect which it is likely to produce in the minds of the people who are to ſupport it. Such a tax as will make a ſlow, and only a trifling ſenſation in the prices of the *French* markets, will occaſion all at once a conſiderable one in thoſe of *England:* I ſhall hereafter ſtate my reaſons for this conjecture.

I am as little qualified to inveſtigate all theſe different queſtions, as thoſe which I have ventured hitherto to touch upon; I ſhall perſevere, nevertheleſs, with that freedom which I derive from the purity of my intentions, and with that diffidence which muſt follow the conſciouſneſs of a capacity ſo unequal to the taſk.—I ſhall firſt of all adapt to *England,* and then to *France,* the reflexions ſuggeſted to me by ſome hundreds of ſuppoſitions, which had engroſſed my time before I had peruſed *Young's Political Arithmetic,* and the work of Mr. *Necker,* which has but lately fallen into my hands.

I ſhall

I ſhall begin with a general obſervation on taxes.

On the Object of all Miniſters of Finance in laying Taxes.

IN this indulgent age, wherein nothing more is required on any one ſubject, than a little decency, it would be a ridiculous and fruitleſs hypocriſy to propoſe a tax, as the means of encouraging virtue, or of diſcountenancing vice; it is not, at leaſt in a country where a man convicted of ſmuggling wool, is by law ſentenced to have his hand cut off, nor in another where a ſmuggler of ſalt is condemned for years to ſerve on board rhe gallies, that one ſhould preach up the heart-felt concern he muſt experience at framing a law which would make it felony to drink ſpirituous liquors if he had really a mind to prevent intoxication; it is hoped on the contrary, nay, firmly believed, that the ſweetneſs of the poiſon will make palatable the very bitterneſs of the tax, and its abſurd diſproportion to the real value of the taxed article: beſides, it is too evident, that it is not the difference of a few pence *more* that will prevent a man from drinking to exceſs when he is ſo inclined, nor a few pence *leſs* that will occaſion another to inebriate himſelf,

himſelf, when his only motive for drinking is a moderate pleaſure, or the neceſſity of allaying his thirſt. The object of every Miniſter, in laying a tax, is always to procure the ſum at which he has rated its produce; if the tax ſhould anſwer any other purpoſe, this additional one is conſidered merely with regard to the proſpect it affords of making good another tax leſs productive than was at firſt expected. In fact, a miniſter of finance is not a *præfectus morum*—a moral cenſor: the State is in want of a certain ſum; *that's enough, it muſt be found.*—Let us then examine, what kind of taxation will be the leaſt burdenſome in its operation, give its firſt ſhock with the leaſt violence, and be attended with inconveniences of the ſhorteſt duration.

Effects of a general Poll-Tax.

Eleventh Hypotheſis.

IN the year 1779, the taxes in *England* amounted, I ſhall ſay, to 10 millions; I ſhall ſuppoſe too, that this was the tenth part of the general produce of the land and induſtry: therefore the 10th part of the nominal value of that *general produce* belonged to the tax, or was *neceſſitated by the tax*; the 40 ſhillings, which, to facilitate my operations, I ſhall alſo ſuppoſe to be the average

price of the quarter of wheat, muſt then have been conſidered as the *neceſſary* price, or the price *neceſſitated* by the tax, and 36*s.* as the *natural* price, or the price *acquired* by the ſole, *natural* increaſe of the national wealth. But in order that thoſe 36*s.* might be called the *natural* price, the taxes ſhould have been divided in ſuch a manner as to load each particular article with a 9th part of its value; that is to ſay, that each individual, poſſeſſed of a property denominated 9, ſhould ſee it charged only with one ninth more, in conſequence of a general poll-tax, which we ſhall ſuppoſe to have been aſſeſſed *with the utmoſt impartiality*. In effect, it appears, that in this caſe the proprietor of a quarter of wheat, who, in conſequence of the tax, would have raiſed the wheat from 36 to 40*s.* could not be ſaid to have injured the hatter, who would ſell him for 40 guineas the 40 hats which, previouſly to the poll-tax, he uſed to let him have for 36 guineas. It alſo appears, that the hatter could not be injured by giving 10 to the workman, inſtead of the 9 which he had hitherto paid; and that, in fine, *if* 20 *millions had proved ſufficient for circulation formerly, three millions more, once found, were fully adequate to the annual and perpetual payment of thoſe* 10 *millions of taxes*, without any one being a ſufferer, but at the inſtant of the firſt payment.

This

This ſyſtem is deficient only in point of practicability; it is not eſtabliſhed in *England:* 36 ſhillings therefore are not the *natural* price of wheat; the wheat certainly owes above 4 ſhillings to the taxes, if its current price amounts to 40*s.*

Let it be obſerved, nevertheleſs, that if the ſyſtem of a poll-tax could be reduced to practice, if it were not of all ſyſtems the moſt abſurd, though the eaſieſt for government, if it were not of all ſyſtems that in which it is moſt evidently impoſſible to avoid thouſands of injuries to the ſubject, one might eſtabliſh now in *England* a new tax of 10 millions annually, and pay it for ever, without altering in the leaſt the condition of anybody, *provided one could find previouſly, and once for all,* 2,600,000*l.* *and that wheat ſhould advance in price from* 40s. *to* 43s. 4d. AND EVERY THING ELSE IN PROPORTION. This appears to me ſo glaringly evident, that it extorts from me the affirmative tone. Now as ſoon as this ſhould be effected, THE BURDEN OF THE TAX WOULD CLEARLY BE NULL.

But, it will be objected, the price of wheat is not thus arbitrarily advanced:—certainly not; for were this to be the caſe, it might alſo be

lowered at pleaſure, and would *every other day*, alternately riſe from 1 to 80*s.* and fall from 80 to 1, ſince for this operation (become indiſpenſable) it would ſuffice that there ſhould be in all the provinces of *England* as many bodies-corporate *(corporations)* in *agriculture*, as there are in *induſtry*. I am even inclined to think, that it would then be minutely examined, *Whether it be in fact advantageous to agriculture, that the merchants export more goods than they import?* (a due attention being paid to the five articles ſo often mentioned, which render neceſſary the importation of bullion); a queſtion of the utmoſt importance, to which I do not ſee that any body has hitherto attended, and which might be ſo eaſily determined, if my principles are juſt.

Effects of a Land-Tax.

ALL taxes, it is ſaid, fall on the land at laſt. Land is the true, the only ſpring of wealth; wealth ſhould be taxed at its very ſource.

It is certain, that merely by knowing how the matter ſtands, we know how to proceed accordingly; and that, in the long-run, every thing arranges itſelf in the leaſt exceptionable manner that the ſyſtem of taxation will permit. The following is probably the courſe which things would take, in the ſyſtem of a land-tax, if it were

were neceſſary now to lay on the land a new tax of 10 millions annually, ſuppoſing always the landed revenue at 60 millions, and the quarter of wheat at 40 ſhillings.

Twelfth Hypotheſis.

(*I muſt premiſe, that in all I have now to ſay, not only on the preſent hypotheſis, but on all thoſe that follow, I build on this principle*; that, from the moment every individual pays the tax, *nobody pays it*; that nevertheleſs its produce reverts to the creditors of the State, and that therefore every body is intereſted in carrying matters to that iſſue as ſoon as poſſible.—*If there never exiſted in the average of prices any revolution ſo ſudden, ſo great, and conſtant in its effect, as the one which I am about to ſuppoſe*; *it is becauſe it never was neceſſary to lay all at once* 10 *millions of taxes. The effect produced by one million on a revenue like that which* England *enjoys, is ſo trifling, ſo gradual, that it never can be felt.*—*But to my hypotheſis*).

The march of induſtry is always firm; ſhe can never be bewildered by her guide. A tax of 2 ſhillings upon a hat will ſoon occaſion either an alteration in the quality, or a proportionate increaſe

in its price*. *Nothing more juſt.* But agriculture has only one reſource; ſhe cannot alter the quality of her productions, and ſhe is always timid when ſhe wants to increaſe their prices. Let it be granted, however, that the firſt attempt of the cultivator will be to enhance boldly the price of his goods, in a proportion which may return him the amount of the tax ſuppoſed to be of 10 millions: his wheat, of courſe, will riſe from 40 to 46*s.* and ſo with regard to other productions; then his revenue, inſtead of 60, will be 70 millions; but, being obliged to lay down 10 for the tax, he will have only 60 millions left.

Let us now obſerve, that when the operations of agriculture are talked of in conſequence of taxes, the land proprietor is alluded to; and from him they ſuppoſe that the ten millions are taken, juſt as the fleece is ſhorn from the ſheep; but, on the other hand, that proprietor, though not very clear in his idea of what is beſt for him to do, feels mechanically that he has a right to defend his fleece, that is, to increaſe the price of the productions of his land, becauſe without them, neither the manufacturer nor the Miniſter

* Let the queſtion on this very point be aſked of any one, who can remember, and compare. I except no article whatſoever of induſtry, which is brought to perfection.

Miniſter of Finance can ſubſiſt, and to raiſe that price to ſuch a level as will ſubject him to pay only juſt as much as the miniſter and the manufacturer: and *this again appears to me extremely juſt.*

Now this very proprietor receives of his 60 millions revenue, or rather of the revenue of his land, no more than about 20 millions; (this is nearly the reſult of Mr. *Young*'s ſtatement: it will be ſeen, in the ſequel, that more or leſs would only alter the proportion of the ſhares, without having the leaſt influence either on the application of the principle, or on its conſequences): the 40 millions overplus is ſwallowed up, *viz.* for the daily pay of the labourer, 20 millions, and 20 millions for the other charges with which the eſtates are encumbered, tythes, profits of farmers, &c. &c. It follows, of courſe,

Either

That the proprietor's ſhare muſt be advanced to 30 millions, if he alone be taxed; and this will leave each of the other parts intereſted in the landed revenue, in poſſeſſion of its 20 millions, as well after as before the tax;

Or,

That each of the three parts taxed ſingly, at 3,333,333*l.* 6*s.* 8*d.* and enabled to pay the impoſt by an advance of price, both in the productions

and in the wages of labour, be reduced to its primitive 20 millions, after the payment of the tax.

One is evidently equal to the other; but what is not ſo, is, that *induſtry*, who paid her workmen with 20 millions when the quarter of wheat was at 40*s.* cannot pay them ſince the wheat is increaſed to 46*s.* 8*d.* but by adding to the former wages, 3,333,333*l.* 6*s.* 8*d.* an advance which, when divided on the total of her products, heretofore rated at 60 millions, raiſes each third part of 20 to 21,111,111, and ſome trifling fractions. — Now, there remains in the hands of each of the parties concerned in agriculture, only 20 millions over and above the payment of the tax.—Thoſe who are in the perſuaſion that the diſcharge of the impoſt muſt leſſen, by its whole amount at leaſt, the revenue of thoſe who pay it, think, no doubt, that agriculture is very well off, to have, by raiſing the price of its commodities two thirds, lightened the weight of ſo terrible a burden; yet if it were poſſible by a vigorous exertion, by an additional increaſe in the price of proviſions, to make it null to every body, I do not ſee that it would be reaſonable to oppoſe ſuch exertion; for, after all,

Either

Either

The firſt increaſe, brought on by *agriculture*, was unjuſt; the proprietor was doomed to ſuſtain alone the whole weight of the tax, if we allow *the taxator*, the man who laid the tax, to have had a ſingle thought on the ſubject:

Or,

The further advance in the prices of agriculture is of the moſt indiſpenſable neceſſity, if the *taxator* has only thought of getting the amount of the tax with the leaſt trouble to himſelf, leaving to Nature the care of diſtributing *to every one* complete juſtice,—to Nature, who never fails to do it, and who, in ſo complicated an operation, employs only the ſimple ſpring of that private cupidity, with which ſhe has armed and ſhielded every individual; juſt as, in order to ſettle the moſt exact ſymmetry in that admirable edifice commonly called a hive, ſhe employs no other agent than the reciprocal *preſſure* of that multitude of architects who work at it, each of whom thinks of nothing but to ſecure a little cell for himſelf.

Thirteenth Hypotheſis.

Let us then ſuppoſe that agriculture, judiciouſly determined by wiſdom not to ſuffer the leaſt

leaſt encroachments on any part of her *cell*, or mechanically led by cupidity to juſtice, boldly raiſes the price of her wheat from 40 to 50*s.* and the reſt of her products in a due proportion; her general revenues will then be increaſed from 60 to 75 millions; each of the three parts intereſted therein will therefore ſtand at 25 millions, but will be reduced to 21,666,666*l.* 13*s.* 4*d.* when the tax is paid off;——

Induſtry, compelled alſo by the advanced prices of the productions of the earth, to pay her workmen 25 inſtead of the 20 millions which they required in the firſt inſtance, will divide the additional 5 millions amongſt the 60 millions of her former returns; each third ſhare therefore, rated hitherto at 20 millions, will, by means of the addition, riſe to 21,666,666*l.* 13*s.* 4*d.*—*which is the exact balance of the like ſum left in the hands of each of the three branches of agriculture, after having diſcharged the tax.*

In a ſyſtem of taxation which ſhould be impoſed only on the land, an impoſt of 10 millions annually, on a revenue of 60 millions, whether it fall on the proprietor, or be divided between him, the farmer, the cultivator, and other parties concerned, requires of courſe an addition of 25 *per cent.* to the

the price of the productions of the earth, that agriculture may not be ſacrificed to induſtry; but it muſt be obſerved, that immediately after the reaction of the one upon the other ſhall be completed, the burden of the tax will evidently be *null*, ſince *the price of labour will have increaſed equally in both, in proportion to that of their reſpective products.*

Reflexions on the foregoing Syſtem.

THIS ſyſtem was deviſed to countenance and encourage agriculture; it is in her hands, they ſay, it is at that fountain-head of riches, that riches muſt be ſought for; it is the land that finally pays for all; the impoſt then muſt be laid on the net produce of the land.—I ſhall venture ſome reflexions on a ſubject which appears to me the more important, as one of the wiſeſt, and the moſt profound ſpeeches ever delivered in the Houſe of Lords, ſeems to hint at the expediency of an aggravation of the burden already laid on agriculture.

Agriculture is the ſpring of life; it is not the ſpring of thoſe riches which we call money: money muſt be had for taxes; money flows from

from the hands of induſtry alone: it is then from this ſpring that money muſt be drawn.

Beſides, how is it known that the money, wreſted from agriculture, is not neceſſary to her ſupport? Or how does it eſcape obſervation, that all the money which is not laid out by the cultivator upon agriculture, will neceſſarily revert to induſtry, either by the immediate conſumption of the cultivator, or by that which he ſhall have occaſioned on the part of the perſon to whom he ſhall have lent the value of what he has not conſumed himſelf?

How comes it to be known, that the proprietor of a landed eſtate that yields him, we ſhall ſuppoſe, 800*l.* *per annum*, and who is charged 200*l.* for taxes, is not indebted in 300*l.* out of the remaining 600*l.*? Now, it is true that 300*l.* are ſufficient for his ſupport; but were thoſe 200*l.* which are forced from him, laid out annually on his land, they would certainly in very few years raiſe its produce from 800 to 1000*l.*—What is that but to aſſeſs unjuſtly a man who enjoys only 500*l.* as high as another whoſe income amounts to 800*l.*—to tie down agriculture to 800 when it might riſe to 1000; to deprive induſtry of the re-action produced by that benefit; to cruſh population

pulation in the very bud, and conſequently to prevent a more conſiderable conſumption; in fine, to deprive government beforehand of the amount of thoſe taxes which that increaſe of population and conſumption would have ſecured to the State?

It may be ſaid in *France*, it is true, that by a tax laid on private loan-covenants, thoſe inconveniences are partly removed; but this very removal is only an additional obſtacle, thrown in the way of agriculture, to impede its progreſs;—the man who could lend to the cultivator, beſides the fear of not receiving back his money when wanted, has before his eyes the certainty of being charged with the twentieth penny laid on the intereſt of the money thus advanced, and conſequently, as often as he conveniently can, lends that money to a merchant, who beſides his punctuality in paying at the fixed time, never heſitates to allow the uſual intereſt without any deduction whatever.

It may be ſaid alſo in *England*, that all over *Great Britain*, the land-tax, (which, like ſome others, is perhaps no more than a real poll-tax under a name leſs grating to a *Britiſh* ear) does not exceed the ſum of about 2 millions,

lions out of 14 or 15, the whole amount of her taxes; but nothing can be deduced therefrom, but that it is ſubject only to a proportionable ſhare of the inconveniences above ſtated; inconveniences which are inſeparable from it: we may add, that it is indeed free from ſome further grievances which fall heavy on the *French* cultivator:—but can the *Engliſh* boaſt of their tax being founded on an invariable principle, when this very principle is unjuſt in its conſequences, and, as often as neceſſity requires the tax to be advanced, multiplies the injuſtice which follows it?—Yet they hint at the expediency of increaſing that very tax, in order to alleviate the imaginary burden that weighs down induſtry!—Some pretend that the land-tax is become a *public property*; they ſuppoſe that all ſuch ſales and purchaſes of land as have taken place ſince the year 1740, have been effected on that principle of renunciation of the capital, the intereſt of which is paid by that land-tax:—they infer, no doubt, that the intention of thoſe who did not ſell, was implicitly included in that of thoſe who have actually ſold; for they propoſe that all the preſent proprietors ſhall redeem the tax, in order to refund part of the national debt; as if, on the very next day after the redemption, Government had not a right to renew it, if ſome freſh exigency ſhould

ſhould ſtart, which could not be anſwered by any other means.

In the critical moment of a diſcredit, which will always be imputable to the Miniſter, when the King and the People are fully acquainted with their real intereſt, if adminiſtration, not knowing what to do, does not heſitate to apply to the land proprietor, whoſe ways and means are always viſible, and whoſe purſe lies, as it were, ever open againſt his own inclination, the Miniſter, no doubt, finds his excuſe in the neceſſity; but after the criſis is over, why ſhould the proprietor be further aggrieved?

But, ſay they, the amount of the tax cannot be diſpenſed with;—no objection can be urged againſt neceſſity; *all that is wanted, is the leaſt that can poſſibly be given; juſt as all that is wanted, is the moſt that it can be advantageous to take:* but the whole ſhould be paid by each individual, only in proportion to his faculties:—Now the fact is, that the faculties of the land proprietors are not better known than thoſe of the merchants;—*the latter have found means to prove, to perſuade, that they ought not to be taxed, but in proportion to their conſumption, the only criterion of their riches,* or at leaſt that part of their riches which

which they do not lay out in increaſing commercial wealth.—Is THE IMPROVEMENT OF THE TERRITORIAL WEALTH LESS ESSENTIAL, OR LESS VALUABLE TO THE STATE?

Let us examine, however, in what degree the taxes laid on the different articles of conſumption, muſt enhance the price of goods, in order that agriculture may not ſuffer more than induſtry. If it ſhould reſult from this reſearch, that many previous falſe ſteps have raiſed the greateſt obſtacles againſt the execution of thoſe meaſures which would prove the moſt equitable, without being more diſadvantageous in any point of view; the inconvenience of ſuch obſtacles might be deemed trifling, when *compared with the burden ſuppoſed to be tranſmitted to poſterity*. And it is not in *England* that an important truth, generally acknowledged, will long remain without effect; it is not in *England* that an important truth will long remain without being generally acknowledged.

Effects of an Impoſt excluſively laid on the Articles of Conſumption peculiar to the rich, or in other words, on Luxury.

THE immediate effect of a tax, is to raiſe the price of the object on which it is laid, by at leaſt the

the whole amount of the tax: *nothing can be more juſt*; but it is at the ſame time a conſideration which ought to keep pace with the one I have already offered, on the very poſitive *object* of all kinds of taxation, namely, *to ſecure the ſum at which the product of the impoſt is valued, whatever that ſum may be.*

Now, in order to eſtimate juſtly the ſyſtem of taxation we are conſidering, it muſt be preſented in all its glory, that is, ſuch as all Miniſters of finance in *Europe* ſeem to wiſh it; ſuch as all the *Engliſh* news-papers recommend it, rather roughly, each of them at leaſt once a week; ſuch as all Oppoſitions, paſt, preſent, and future, have pretended, do pretend, and ever will pretend it to be, ſo eaſy and ſo equitable; ſuch as all preachers of the *Roman*, *Engliſh*, *Janſeniſt* and *Preſbyterian* perſuaſion, are wont to deliver it every day among the private ſocieties whom they are pleaſed to honour with their partly chriſtian, partly political reflexions, and would ſpeak it out from the pulpit, if Miniſters of finance had any leiſure to hear their ſermons, &c. I ſhall therefore ſuppoſe that the tax of 10 millions, mentioned in the three foregoing articles, ſhould be aſſeſſed in ſo able, ſo *charitable* a manner, that 5 millions ſhould fall on the

landlord, and the other 5 on the richeſt proprietor of money. I ſhall begin with the moſt eſſential, for the State is certainly founded on the landed property.

What is the revenue of the land-proprietor? ——Nothing more, all expences defrayed, than the third part of the real produce of his lands; and this third is, in the *hypotheſis*, eſtimated at 20 millions only.—Theſe 20 millions finding in the hands of induſtry, that portion which uſually gave the balance of thoſe 20 millions, raiſed to 25 millions by means of the tax, it clearly appears that the proprietor alluded to is ſhort by 25 *per cent.* of the ſum required to pay that portion.—In this caſe what is he to do?

Shall he leave induſtry in poſſeſſion of one fifth of his former comforts?—Then induſtry would be debarred from the ſale of that fifth part; one fifth of its artificers would be left without any other reſource than that which the highway might afford, *and the main object of the taxation would be defeated in the following year*, unleſs exportation ſhould make up to induſtry for the want of home-conſumption, *(the only one by which a State can proſper,)* and the *deficit* of the tax laid on the home-conſumption, ſhould be

be compenſated by another tax on foreign conſumption, that is *on the exports*.

We ſhall ſuppoſe this to be the caſe, and that induſtry actually exports that fifth part of the national commodities which the land proprietor is not able any longer to conſume, and which, nevertheleſs, induſtry is compelled to ſell, in order to be reimburſed the tax ſhe has advanced, and be prepared to anſwer the freſh demand which next year government will have occaſion to make.—But if it were to ſuch means that *England* ſhould ſtand indebted for part of the increaſe in her exports, her induſtry, methinks, would have derived leſs advantage therefrom, than a home-ſale might have procured, even ſuppoſing the inconvenience of which I ſhall ſpeak preſently: it appears to me alſo, that the land proprietors would, in that caſe, have ſome reaſon to complain, and that the reſt of the nation would have no cauſe to boaſt of the immenſity of her exportation.—The draw-backs granted on the very exportation of the taxed commodities, prove that ſuch an expedient never was adopted in *England*.

Will the land proprietor come to a reſolution to fly from his native country, in ſearch of ano-

ther, where good men content themſelves with declaiming againſt luxury, without making any attempt to deſtroy it? No, he never did, nor ever will take that reſolution; he is faſt bound to his land by the roots of every plant he has laid on it.—What then is he to do? It behoves the Miniſter of finance to give him ſome wholeſome advice.

If the Miniſter be ſilent, or if he ſhuffle, becauſe he is cloſely watched by Oppoſition, he muſt equally loſe his popularity; for the land proprietor, left to ſhift for himſelf, will raiſe the price of the productions of his land, in proportion as the tax has increaſed that part of the products of induſtry that concerns him.—

But his 20 millions revenue, have, as I have ſaid, the ſame component parts as the 40 millions which he is obliged to give up for the expences of cultivation, and other incumbrances attending property:—he cannot therefore increaſe them to 25 millions, without raiſing by one twelfth the total amount of the 60 millions of landed revenue; this will at once carry up the quarter of wheat from 40*s.* to 43*s.* 4*d.*: this is therefore an advance of $8\frac{1}{3}$ *per cent.* on his commodities:—upon which we muſt obſerve, that no increaſe will take place in

in the wages of the mechanic, or of the huſbandman; for the objects of luxury are the only ones which we ſuppoſe to have been taxed: ſuch is the *infernal* ſide of this *heavenly* ſyſtem.—Yet this is not all.

What is the money-proprietor to do, not having it in his power to raiſe the price of his money as the landed proprietor can do that of his wheat, but who, on the contrary, is invariably limited to the ſame nominal revenue, whilſt the tax of the other 5 millions, which the *humanity* of the *taxator* had levelled at him, has occaſioned a riſe of 25 *per cent.* in the nominal value of thoſe articles of luxury in which he indulged himſelf? —He will, he muſt leave them in the hands of induſtry, and confine himſelf to ſuch objects as are not taxed; it is a reſource, as it is at the ſame time a compulſive meaſure.—*The produce of the tax will then be inadequate to the want:* a ſecond impoſt muſt then be thought on, to ſupply the *deficit* of the firſt.—*Fall again upon luxury*, cry the enthuſiaſts; *this is more neceſſary than ever, for bread is already* $8\frac{1}{3}$ *per cent. dearer than it was, and the land proprietors have abated nothing of their luxury; they ride ſtill in their chariots, whilſt the poor loaded porter conſtantly trudges on foot.* Enthuſiaſts will never ſee further, and

thoſe who are not enthuſiaſts do not yet ſee far enough; for they only ſay *that it is expedient for government, that the prices of commodities be kept up, in order to facilitate the payment of the impoſt.*—Yet, *if it is expedient* for government, that the prices be *kept up* to *facilitate* the payment of the impoſt, I conclude that it is an *abſolute neceſſity* for government, that the prices do increaſe, when there is no other viſible means to eſtabliſh *the poſſibility* of paying taxes. I therefore have to anſwer only to the enthuſiaſts, and let it be as the enthuſiaſts will have it:——

But the firſt 5 millions of the *charitable* tax could not be paid, without an advanced price of $8\frac{1}{3}$ *per cent.* on all the productions of the earth, without raiſing the wheat from 40*s.* to 43*s.* 4*d.*—it will then be neceſſary to increaſe its price by as much again; it muſt advance from 43*s.* 4*d.* to 46*s.* 8*d.* in order that the tax be paid *without foreign aſſiſtance.* Then all will be ſettled, regulated, balanced, and paid between the *capitaliſts* of land and thoſe of induſtry; *but as no objects will have been taxed but thoſe of luxury*, how long will it be before the people, the labouring man can ſee juſtice done to him?—Ten popular inſurrections perhaps will be required to extort it. Yet let us ſuppoſe that the very firſt proves ſufficient

ſufficient to procure it complete, that is, that their wages be raiſed $16\frac{2}{3}$ *per cent.* as the tax after all the neceſſary re-actions has increaſed the price of the produce of their labour:—in this caſe, inſtead of the 20 millions allowed before to each of the two claſſes of working men, cultivators and mechanics, they will then receive 23,333,333*l.* 13*s.* 4*d.*—But how will you wreſt from the hands of the land proprietor 3,333,333*l.* 13*s.* 4*d.* out of the portion which he was obliged to lay by, *that the tax might be paid by his conſumption*, without his advancing again the price of his commodities in ſuch a proportion as will return him the new ſum which he is forced to pay?—And were he not to augment again the price of his commodities, would not then a new tax become neceſſary to ſupply the *deficit* which the riſe of wages of the labouring men muſt occaſion in the conſumption of their employers?—The land proprietor will then add ſtill to the price of his goods;—but will not this addition, *equally neceſſary as the two firſt*, be productive of a further neceſſity of raiſing in proportion the price of labour, the wages of the labouring man?—No doubt; and another inſurrection would procure juſtice, if the thought did not occur at laſt of obſerving, that *the claſs of labouring men being, before the tax, in poſſeſſion*

of one third of the general revenue, forms, in this reſpect, a third intereſt equal to one half of the two other. Now, the tax having enforced an advance in prices of $16\frac{2}{3}$, to ſhelter the two former from its effect, there muſt alſo be, in favour of the third intereſt, a third increaſe of $8\frac{1}{3}$, which riſing at laſt to 25 *per cent.* more, the price of labour, as that of its produce, both in regard to land and induſtry, will exactly leave to each of the three intereſts, under the denomination of *twenty-five*, the ſame comforts as each of them enjoyed under that of *twenty* before the tax was laid.

In regard therefore to the effects of the tax on the prices of proviſions, there is not the leaſt difference beween the ſyſtem of taxing luxury, and that of a land-tax; 50*s.* in the ſuppoſition of an impoſt of ten millions, would prove in either ſyſtem the *neceſſary* price of wheat; for if ever a price can be termed *neceſſary*, it is when it cannot be lower without effecting the ruin of the land proprietor, and even *without miſſing the ſole and indiſpenſable end of taxation*, unleſs recourſe be had to one of the following reſources:

Either

Either

To export ſuch commodities, which, as it might be abſurdly ſuppoſed, the nation is no longer able to conſume,

Or,

To ſteal from the people the proportionable increaſe *due to them* in the price of their labour, if they ſhould prove ſo complaiſant as tamely to ſubmit, out of gratitude, for *the tax being laid only upon luxury*.

I ſhall conclude this article with a reflexion which may give birth to many others.

The impoſt on *luxury*, which, after a very little time, as we have ſeen, proves no ways injurious to thoſe who were able to pay for the objects upon which the tax was laid, is beſides, under another point of view, really advantageous to thoſe very men who ſeem the only contributors to it; *becauſe* it ſets entirely above the reach of the people, a number of articles in which they would indulge themſelves, *to the great benefit of the tax*, and which, though perhaps intended *by the general provider*, as well for the poor as for the rich, are nevertheleſs, by the *merciful* ſyſtem of taxation, excluſively reſerved to the rich.—Is this the intention of the *merciful taxator?*—in my

my opinion it ought not to be that of an *intelligent one*.

Effects of a mercileſs Tax upon all the Articles of the moſt general Conſumption.

INSTEAD of laying a tax *on men*, from whom, without ruſhing with open eyes into the perpetration of a thouſand injuries, it is impoſſible to require any thing more than a *perſonal ſervice*, when it is neceſſary and *poſſible* withal; inſtead of taxing *the land*, from which nothing can be expected but food, and the rough materials to which induſtry can give from one to many hundred degrees of value; inſtead of taxing that imaginary monſter called *luxury*, which procures ſo ſubſtantial a ſupport to ſome, and ſuch pleaſing comforts to others, lay your tax ſolely, and without predilection, on *all thoſe products of national and foreign induſtry which are more generally conſumed*; then, in my opinion, you will have reaſon to flatter yourſelf that riches are taxed to their very ſource, and without inconvenience to any one, ſince you tax it in the hands of thoſe who are, *by the ſtricteſt juſtice*, authoriſed to a benefit for all the advances made by them to the conſumer.

So

So then, though the tax of 10 millions be fixed on certain parts of induſtry, nothing will prevent the whole from riſing proportionably; and for this, *God alone be thanked.* The whole will be then 70 millions inſtead of 60;—upon which the leaſt reflexion is ſufficient to make us feel the neceſſity of the re-actions mentioned in the foregoing ſyſtem, *but with this difference,* that the general conſumption having been taxed, the two *capitaliſts* cannot, even on the very day when the impoſt takes place, ſhut their eyes againſt the juſtice of increaſing the ſalary of the labouring man in a due proportion. — Now, *the intereſt* of the two capitaliſts could not, as in the preceding ſyſtem, be preſerved undiminiſhed, but by an increaſe from 60 to 70 millions, that is to ſay, $16\frac{2}{3}$ *per cent.*—Now, *the intereſt* of the labouring man is, as has been obſerved before, equal to one half of the other two claſſes in the general revenue, or, in other words, equal to either; — it will therefore become neceſſary, in order to reſtore the former equilibrium, to introduce a freſh increaſe of $8\frac{1}{3}$ *per cent.* upon every thing;—in conſequence of which the price of labour, being raiſed 25 *per cent.* juſt as its products, both in cultivation and induſtry, will leave alſo the two claſſes of labourers in the ſame ſituation they were in previous to the tax;

each

each of them was then in poſſeſſion of 20 millions out of 60, each will now get 25 out of 75.

I think alſo that *then*, a Miniſter of finance, ever ſo anxious about his operations, ever ſo zealous for the eſtabliſhment of none but *productive* taxes, could not conceive a ſingle article of conſumption that might ſuffer by this arrangement; it would appear too evidently that every one would *then* have the very ſame faculty of conſuming, manufacturing, or ſaving, under the denomination of 25, all that he had before conſumed, manufactured, or ſaved under the denomination of 20.

It would alſo be ſeen *then*, that the ſucceſs of thoſe taxes termed *productive*, is not to be aſcribed to the abilities of the *taxator*, but to the abilities of the perſons *taxed*, who have taken care to right themſelves by ſo much as the *taxator* ought to have been afraid of being unjuſt.

Then alſo would every one be ſenſible, that the advance in all the prices could not be only of a 12th part, or $8\frac{1}{3}$ *per cent.* as in the *glorious* ſyſtem of a poll-tax *eſtabliſhed by Divine Juſtice*, but of 25 *per cent.* neither *more nor leſs* than in the

the ſyſtem of the *land-tax*, neither *more nor leſs* than in the ſyſtem of an excluſive tax *upon luxury*; that conſequently *wheat*, as well as produce of any other ſort, as well as *labour* which gives the whole, *would be indebted to the tax for a fifth part of its new nominal value*, and that 50*s*. would be the *medium* price of wheat;—its *neceſſary* price, but not more *neceſſary* in that *mercileſs* taxation, than in the *merciful* one laid on the excluſive conſumption of the rich:—and this calls for the attention of every individual; nor can it be too often repeated, becauſe *then* neither hypocrites, nor enthuſiaſts, nor good men, nor manufacturers, nor farmers, nor proprietors, could any longer deceive themſelves or others, on the price of labour; it would be too ſelf-evident that the ſaid price ought to increaſe with the taxes, and that no one would be injured by that increaſe.

Then it would alſo appear, that ſome people had very good reaſon to ſay, that the burden of all taxes, falls one time or another, on the landed property; but who could refuſe to admit beſides, that I am tolerably founded in inſiſting, that when taxes have in fine reached every part of the whole, no one part can feel the weight?

The

The money proprietor, it will be ſaid, the *lender alone* will be aggrieved; he muſt loſe the fifth part of his uſual comforts, he muſt pay 15 for thoſe articles which he could procure formerly for 12.

I ſhall confine myſelf to three anſwers:

Firſt, *Is it not ſelf-evident, that any financiering operation, which reduces from 5 to 4, the intereſt of a national debt, deprives as well the lender of the fifth part of his comforts*, AS IF THE NATION HAD LOADED HERSELF WITH TEN MILLIONS MORE, TO BE PAID ANNUALLY? *(ſuch is the preſent hypotheſis.)* There ſtands, therefore, between the two caſes no other difference, but the *palpable* juſtice and neceſſity of the one, and I believe we may ſay, the *unſuſpected* inutility and injuſtice of the other.

Secondly, We have already ſeen that the loſs of the lender, in all caſes, flows eſſentially from the nature of his capital; that it is inſeparable from the advance of prices, whether *that advance* originates from an acceſſion of wealth, or is produced by taxes, or brought on by monopoly; and that beſides, by lending to the State, with the certainty that the State could not pay the intereſt

tereſt of the loan without the aſſiſtance of an impoſt, he has beforehand ſubmitted to the effects of an impoſt *indiſpenſable* to his main object.

Thirdly, If we except a poll-tax, which we ſhould ſuppoſe *laid by Divine Juſtice*, and which, in the preſent hypotheſis, ſhould wreſt from the lender only a twelfth part of his enjoyments, where is the ſyſtem, which, *in the ſuppoſition of a tax of ten millions, being now neceſſary in England*, would not deprive him of a fifth part of thoſe enjoyments?—We ſhall ſee preſently that a *compound-tax* would perhaps prove ſtill leſs favourable; but how much has he to dread, in all caſes, from the indirect taxation of the *monopoly*, which it is impoſſible duly to eſtimate!

Effects of Compound Taxation.

THE ſyſtem of taxation, which may be called general, is compoſed of the four different kinds of taxes which I have juſt mentioned:—Firſt, ſome kind of *poll-tax*, under that or any other name;—ſecondly, a *land-tax*;—thirdly, an impoſt on the conſumption of the rich, or *luxury*;—and fourthly, in fine, the freedom taken with *the conſumption of the poor*, or general conſumption;

tion; for the ſun of reaſon forces its way through the darkneſs of prejudices; theſe only ſerve to retard the progreſs of nature wherever light firſt began to ſhine. It would be eaſier to ſtifle truth at firſt, than entirely to eſcape its effects.

No country in the world can be guarded againſt the injuſtice inſeparable from the *two firſt parts* of the ſyſtem of a compound-taxation, whatever may be in that reſpect the wiſdom of the legiſlature, and its tenderneſs in the manner of collecting the impoſt; no country can be free from that other kind of injuſtice which reſults from the general prejudice in favour of the tax on luxury, which conſtitutes the *third part* of the ſyſtem under examination; but the *enſemble* —the whole together, does not produce every where the ſame effects on the prices.

In *France*, from the beginning of the preſent century down to the time when Monſ. *Turgot* was intruſted with the department of the finances, the ſum of what I can collect from the *French* mode of taxation, is, that without any determined ſyſtem, without any other rule than the immediate want of money, and the facility of procuring that money by means of a loan, at any intereſt whatever, they had ſucceſſively taxed

whatever

whatever came firſt to hand, or occurred to the imagination of the comptroller general for the time being; nothing was ſpared, in order that no one ſhould complain; landed eſtates, employments, money, individuals, the one becauſe he was induſtrious, the other becauſe he had no induſtry and *that he might acquire ſome*; this man, becauſe he had a *title*; that other, becauſe he had none; a third, on account of what he conſumed; a fourth, for that conſumption to which he was doomed,—*(an expedient which, together with the galleys, was deviſed by the farmers general, as an admirable ſtroke upon ſmuggling).* No ſin more venial, than to take ſome liberties with a compound of ſuch motley pieces; nothing more ſevere than the reflexions thrown out againſt it on the other ſide of the channel; and nothing can more forcibly prove that *France* was planning ſome reform on the ſubject, than the orders given moſt minutely to enquire into the principles and effects of the various modes of taxation adopted in other parts of *Europe*. I think, in regard to all thoſe parts of *French* taxation, which I have alluded to, as every intelligent man does in *France* and *England:* nevertheleſs, if one cannot poſitively affirm, that the reſult of ſuch a chaos of ſtrange regulations, has been, that every

one perceiving the burden to be general, nobody ever thought of eaſing himſelf at the expence of others who appeared to have been loaded in the ſame manner, yet it cannot be contradicted, that, notwithſtanding the want of true principles on the part of the *taxator* in *France*, the price of every thing might have continued to this day, without material alteration, had it not been for an event, of which I ſhall ſpeak in the ſequel; and if it were true, as ſome very deep politicians will have it, that *the more depreciated commodities are in a country, the quicker that nation advances towards opulence, becauſe, in ſuch a caſe, the national manufacturer has it in his power to favour the foreigner by underſelling all other countries in the world*; if this principle were not at leaſt queſtionable, as I hope to prove it by and by, every one would admit that the *compound-taxation*, EVEN COMPOUNDED, as I have juſt deſcribed it, does not appear totally deſtitute of ſome advantages.

Before I venture to expreſs my thoughts on the ſubject, I wiſh the reader would form to himſelf an idea of what might be the effect of ſuch a ſyſtem in *England*;—in *England*, where every man is a calculator, and adds without ceremony,

ceremony, on the creditor ſide of his books, the number of figures neceſſary to balance thoſe which he thinks too many in the calculation of others. They ſay in *England*, and there they are more bitterly perſuaded than any where elſe, that taxes take annually out of the pockets of thoſe who pay them, the whole amount of the impoſt; but *there* as every where, and *there* much ſooner than in any other part of the world, juſtice and reaſon never fail to put into the head of each individual, what he is to do, that the tax be not paid for a long while out of his own pocket. I may therefore boldly ſay, that nothing more is wanted on the part of *England*, to join perfectly in opinion with me, concerning the moſt important point (that which concerns the national debt), than to obſerve, that every one has always done as ſecretly and as expeditiouſly as he could, for himſelf alone, what I inſiſt it would be advantageous to do openly, with equal celerity, for the general good *. I now reſume my ſubject.

* It is truly farcical to hear *and ſee* the deep-fetched ſigh of a tradeſman, when he is reminded by a purchaſer, that the ſubject matter of the bargain is dearer than it uſed to be: "Alas! Sir, (ſays he) this very article is "taxed one ſhilling; and, Sir, I ſay nothing of that "curſed ſhop-tax." But *why?* If the purchaſer has ſome kind of labour, no matter what, and no matter how, to

It would be, methinks, a difficult matter not to conclude, from ſuch very reaſonable conflict of private calculations, that, were the *French* ſyſtem to be adopted in *England*, it would not, in that *land of benediction*, experience the fate of exotic plants; far from degenerating, far from keeping the price of all things at the loweſt ebb, it would acquire from the influence of general maxims, and from univerſal cuſtom, the weight neceſſary to balance that multitude of private injuries, from which it is impoſſible to keep it free. Now, this cannot be effected without forcing the price of every thing up to a pitch ſo much more extravagant, as each man, in ſuch a caſe, is the natural judge of the indemnity he ſhould allow himſelf for the tax impoſed, and for the advantage that others derive from it; if any one ſhould ſhrink on the occaſion, he finds in his *corporation* a degree of vigour, of which he ſhares the benefit. The word of the law is the only bridle in *England*; a tax of 4*s.* on a particular article, increaſes its known price only by ſomething more; but if government gets 50,000*l.* from a tax, under the appellation of *licence*, or any other name, which leaves the man thus

to diſpoſe of, it is evident that, as ſoon as the ſigh will have gone round, the tax will be paid, *without any expence but that of ſome thouſands of ſighs exchanged by the community at large.*

thus taxed, ſupreme judge of the rate, and at liberty to chooſe the means of indemnifying himſelf, one may reſt aſſured that ſuch a tax coſts the people ſix times as much as it brings in to government. Let every man candidly weigh this (I don't ſay undenied, but I ſay) undeniable aſſertion, from the circumſtances of the moment; let him examine what remains to be done by the land proprietor, that he may not be moſt ſhamefully ranſomed; let him judge in what predicament that man muſt ſtand, whoſe fixed revenue in money, affords him no reſource againſt the effects produced by ſuch an emulation; let him obſerve, above all, that the daily labourer will not, *before the matter is brought to the laſt extremity*, be paid one penny more, *becauſe care has been charitably taken to tax almoſt none of the articles of his conſumption; and let him then*, if he dares to do it, *let him bleſs the tax on luxury*, and any other kind of impoſt, *but ſuch as is laid on the objects of moſt general conſumption.*

The *real* neceſſity of providing for the intereſt due on the debt contracted during the laſt war, and the *imaginary* advantage of the intended reimburſement, have compelled the preſent Miniſtry (and according to the maxims and ideas that predominate at this time, would have com-

pelled all poſſible adminiſtrations) to impoſe many taxes of the very exceptionable kind; to their effects add thoſe of the indirect tax of corporations, premiums, prohibitions, and new obſtacles thrown in the ſmuggler's way, it will not be wonderful that the million ſterling for the *imaginary* want of a reimburſement, together with the three millions ſome hundred thouſands, for the *real* want, (the intereſt of the debt) and which, at the worſt, ought not to increaſe the total maſs of prices much above 8 *per cent.* actually advance them to 12, whilſt in *France* the expences of the late war will not perhaps occaſion, *at firſt*, a riſe of more than 6 *per cent.* It will be ſeen in the ſequel why I ſay, *at firſt*.

But, they ſay in *France*—but, they ſay in *England*, all the articles of conſumption are already ſo loaded, that it is impoſſible to think of increaſing the weight. The *French* Farmers General themſelves tremble when they propoſe to increaſe the duties on any article; *will not conſumption ſuffer by it?*—Such is every where the terrible argument that prevents the eſtabliſhment of the only unexceptionable ſyſtem, the only equitable, and the only advantageous one to the people—to the people, on whoſe account they pretend to be ſo anxious.—That ſyſtem, it is true,

true, would leſſen by one half, *the nominal value* of thoſe operations that are held in ſo important a light, of all thoſe tricks of which the contrivers themſelves entertain ſo high an opinion; but what eaſe, what leiſure would not this very ſyſtem procure to the Miniſter! Let us then ſee whether the formidable argument, on which is grounded the impoſſibility of doing *the beſt*, will bear the analyſis, ſo *formidable* alſo in ſo many caſes.

Some Doubts on the ſuppoſed Impoſſibility of laying all Taxes on Conſumption.

THE univerſal voice in *England* is, that ſo many taxes ſhould be laid, as are neceſſary to anſwer the exigences. Miniſtry, Oppoſition, Subjects, all agree in this eſſential point; but if we except ſome taxes which bear principally on the land proprietor, who never ſays any thing, and whoſe ſilence commands that of every one who ſhares in his burden, the ableſt man in the three kingdoms is not capable of propoſing one, on any article, which would not be followed by a petition from thoſe very men who do not even wait till it has received the royal ſanction, in order to derive from it an extravagant advantage, if it be within the meaning of *licences*, and perhaps only

a profit *rather above* a reaſonable one, if it bears on an object properly ſpecified.

I have peruſed ſeveral of theſe petitions; and the ſubſtance of what has appeared to me moſt ſtriking in every one of them is nearly this: "Let "every thing be taxed in *England*, nothing more "equitable; let every thing be taxed, *every thing*, "except all the things that concern your hum- "ble petitioners: you cannot tax them, with- "out ruining their trade; and not only their "trade, but alſo the whole trade of the nation at "large; and not only without ruining the whole "trade of the nation at large, but without ſtifling "that principle of liberty, that noble ſpirit of "life, which has ſo highly diſtinguiſhed her "above all the nations in the world."

Were any one to infer, from the foregoing extract, that my intention is to ſtigmatize the uſe of *petitions*,—notwithſtanding the moſt invincible antipathy I bear to exclamations, which, for the moſt part, betray either weakneſs or hypocriſy, I ſhould exclaim, O Divine Liberty, of *humbly ſhewing*, to the moſt reſpectable parts of a nation, all kinds of ideas, whether abſurd or reaſonable! Divine Liberty, never treated in *England* but with that regard which is due from one

one man to whatever comes from another man! Divine Liberty, who giveſt to the Legiſlator, the time, knowledge, and often the means, neceſſary to prevent him from falling into ſuch errors as it is not beyond the power of human nature to avoid, . . . be thou ever bleſſed, and mayeſt thou be worſhipped wherever men are not infallible, and wherever millions of men may ſuffer from a ſingle miſtake!

In *England*, the produce of taxes on the various articles of conſumption, amounts, I ſuppoſe, to 8,000,000*l.*: in order to procure the 5 or 6 other millions required, a part of which is neceſſary, a part of which is ſuppoſed to be ſo on account of the plan of a reimburſement, the land continues to be taxed for 2 millions, and the other 3 or 4 are taken from perhaps 30 different articles, one of which will bring in 150, another 100, a third 60, a fourth 30 thouſand pounds, &c. with a ſalvo for Government to tax half a ſcore more articles, if it ſhould be robbed rather too unconſcionably on the produce of the former; for, in all countries throughout the world, this is all the conjuration in that part of the adminiſtration of finances which relates to the collecting of taxes; if you rob Government in one point, be ſure Govern-

ment

ment will ranſom you, if required, on ten others; nothing more juſt, but nothing more eaſy.

Now, if we lay it down for an indubitable maxim, that the moſt able Adminiſtrator of finances, cannot take from an individual, more than what he poſſeſſes, it ſeems to me then that it remains only to examine, whether that very individual from whom, one way or another, out of the 20 he is poſſeſſed of, 5 may be wreſted,—will be leſs aggrieved if the 5 be taken out of his pocket, and he be ſent to market with the remaining 15, than he would be, were he permitted to go with the whole 20 to market, where he would find thoſe 15 which he uſed to purchaſe for 15, charged with the 5 which might have been taken from him at home?

The queſtion more to the point is yet more ſingular; for it goes to this enquiry:

Firſt, Whether the land proprietor, who is obliged to give at a fixed period three millions in taxes for his land, windows, domeſtics, and other objects more recently taxed, would think himſelf more injured if thoſe three millions were divided and laid upon ſome objects of his

conſumption,

conſumption, while he ſhould obſerve that by this new order of things he would gain the convenience, not only of paying theſe three millions by different and remote inſtallments, but alſo of making uſe of the money previous to ſuch payment,—without injury to the trader, to whom the intereſt would be one way or other repaid,—while on the other hand, a part of the money, laid out upon his land, would furniſh new reſources for augmenting the produce of the taxes, by increaſing his faculties of conſumption :

Secondly, Whether thoſe unfortunate licenſed perſons, and others (who ſo bitterly complain of all the various taxes that produce to them three or four times the ſum which they advance to Government) would not be *juſtly*, as they ought to be, relieved from the *oppreſſion* (that is the word) if ſuch taxes were taken off, and laid on articles of which they would themſelves be the conſumers :

Thirdly, Whether all thoſe extraordinary, uſurious, and unjuſt benefits, ariſing from thoſe *oppreſſive* taxes which I have been mentioning, reduced to their proper point, by taxes that would not increaſe the price of any article beyond a known degree, would not naturally reduce the *value* of every thing to that *neceſſary* price I have ſpoken

ſpoken of,—to that price which every thing ought to maintain, that the imaginary *oppreſſed* might not actually *oppreſs* the imaginary *oppreſſors*,—that all things may be preſerved in a juſt balance, without any perſon experiencing a change in his condition; —and conſequently, without the conſumption of any article being diminiſhed, unleſs fancy or faſhion ſhould transfer it to another article that will indemnify for the deficiency.*

From *England* let us paſs over to *France*, and always taking for granted that a Miniſter of finance

* I muſt confeſs I wiſh alſo that a little time could be ſpared to examine whether all kinds of taxes, already deviſed or to be deviſed, already eſtabliſhed or to be eſtabliſhed, on any other object but *conſumption*, whatever may be the appellation with which they may be honoured or diſgraced, from the land-tax down to the ſhop-tax, *are not in fact ſo many poll-taxes*:—that is to ſay, I wiſh they would be pleaſed to examine, whether that man whoſe *hand* is obliged, *under pain of diſtreſs*, to give at ſuch a day ſuch a ſum, can, upon due recollection, diſguiſe to himſelf that his *head* is as really taxed, as if the ſubſidy to be paid was called *a poll-tax*, or *la taille*. If I am not miſtaken, the caſe is this: the ſhopkeeper feels that he ought not to pay a tax upon his ſhop; he pays it and cries out like an eagle; he is right: the land proprietor does not know that he ought not to pay a tax upon his land; he pays it and ſays nothing; he is wrong: the Miniſter

finance is not a conjurer, and that he can take from the pockets of the people no more money than they poſſeſs; I wiſh it could be examined:

Whether the 41 millions of *livres Tournois*, produced by the poll-tax, and which ſhould be paid no longer, when that tax ſhould be transferred to, and divided between all the articles *of the moſt general conſumption, and of courſe the moſt productive*, would diminiſh the general faculties, by increaſing the value of thoſe objects, to the whole of that ſum which the contributors would gain by paying no longer the poll-tax.

I would have it alſo enquired into, whether the clergy, finding the objects of that general conſumption loaded with 11 millions more, could be aggrieved by the ſole diſappointment of giving no longer *gratuitouſly* to his Majeſty, thoſe

Miniſter wanted money; he thought that nothing remained untaxed; he ſuſpected that the land proprietor would at laſt cry out as loud as the ſhopkeeper, if the land-tax was increaſed; he taxed the ſhops: a ſhop, in truth, does not appear (very evidently at leaſt) more ſacred than the land upon which it is erected.—It is not at all impoſſible, but that in ſome few years all theſe miſunderſtandings will be talked of with as little reverence as witchcraft; but till then, the good mother Nature muſt work underhand, as ſhe ever did, and probably ever will.

thoſe 11 millions which they are now *compelled* to pay; and whether they would not be left in poſſeſſion of all the faculties neceſſary to ſatisfy the firſt article, as ſoon as they ſhould be freed from the other.

I ſhould alſo wiſh the *French* to examine whether the 76 millions *Tournois*, paid in that country for the *three twentieths*, inſtead of being very often called for, *at a time when the Subject has them not*, transferred to thoſe objects which cannot be conſumed but by means of the money remaining after thoſe 76 millions are diſcharged, would impair the means of the contributors, although after having eaſed them of that truly terrible tax, the Miniſter ſhould, in a manner, juggle them out of the whole amount of it, by another impoſt on conſumption. Suppoſing even they had ſome ſuſpicion of the trick, I wiſh it were examined whether they would think themſelves injured by paying in the new way that amount, by inſtallments at their own time, and till then laying out a part of it upon their lands, the revenues of which would of courſe increaſe in proportion.

But above all, I wiſh it ſhould be examined, whether 91 millions of another kind of ſubſidy, called

called *la taille*, added to 7 millions and a half more, laid out in expences for warrants and diſtreſſes, neceſſary to enforce the law of the ſubſidy, transferred upon the conſumption of thoſe from whoſe hands the *ſubſidy* is directly wreſted, againſt whom the *warrants* are iſſued, upon whoſe goods or body the diſtreſſes are executed, would diminiſh the faculty of that poor people's conſumption, if, by means of that conſumption, by the ſuppreſſion of the old *ſubſidy*, of *warrants*, and *diſtreſſes* attending the ſame, they ſhould acquire the faculty of conſuming cheerfully, what they often conſume in bitterneſs and ſorrow; and whether the department of the finances could loſe by it any thing more than the pleaſure or trouble, or rather the neceſſity of aſſeſſing a dreadful ſubſidy, iſſuing out warrants, and diſtreſſing the body—when there are no goods to be diſtrained.

But in this ſcheme the expence is more conſiderable.

This is the grand objection: *The expence is more conſiderable!* Reduce the unfortunate to a bed of ſtraw, or caſt him into priſon, to ſpare the purſe . . . . of whom? — For after all, ſuppoſing even that a few additional charges ought to be compared with millions of inconveniences,

niences, injuries, and acts of barbarity, which are inſeparable from the other methods, let it be examined whether the extra charges can produce any other effect, than that of advancing by a few *deniers pour livre* the general price of merchandiſe; let it be examined whether that advance is not a matter of perfect indifference, provided that the price of the proviſions ſold by the land proprietor, *who is ſtiled rich*, and that of the wages of the labouring man, who *is called poor*, riſe in the ſame proportion as the goods of the *capitaliſt* of induſtry, who ſtands equally and as eſſentially in need of the eaſe of the *poor*, as of the opulence of the *rich*.

In fine, Let it be examined whether there is any thing great, courageous, juſt, and fair, that may not be expected from the *French* nation, when ſhe ſhall be admitted to the honour of being heard,—or when they will be kind enough to convince her. — A King of *France*, with the trifling help of his provincial adminiſtrations, may do, and play with every thing: a King of *France* is truly a deſpot; not from that abſurd right of giving his *will* for *reaſon*, but from that principle which is congenial to the *French*, that the People and the King are but one, have but one intereſt, and have nothing

thing to fear but the ignorance of a Miniſter, conſcious of his inability, without the leaſt thought of the reſources he has at hand in ſuch a caſe, without principles to guard him againſt committing thoſe injuries which ſeem to him unavoidable, in order to conceal the errors which he has been, or fears to be, guilty of; a Miniſter, in fine, whoſe inſignificant little ſelf, wreſts from the King and People, the fruit of that *identity* which forms the acknowledged eſſence of the *French* conſtitution.

What ſeems to be in *France* no more than a fortunate prejudice, is every where an irrefragable truth: in every country the ſtrength, power, and riches of the Prince, are but the ſum of the force, power, riches, energy, honour and *ſuſceptibility*, which actually exiſt in the maſs of his ſubjects.—But if the Sovereign be the moſt powerful man in his kingdom, only becauſe all its ſtrength centers in him; if in this age, the moſt complaiſant, the meaneſt Miniſter ſhould not dare even to inſinuate a contrary idea before the Prince the moſt jealous of his authority; how can he preſume to think, or to hope, that it will be in his power to perſuade the Prince, that he, the Miniſter, is the beſt informed man in the Empire, before he has collected all the

information that can be got on every object that does not call for an immediate execution?—And how can he pretend to have collected every such information, when in addition to his own ideas, he goes only by those of the few dependents who surround him, dependents as much on their guard before him, as he himself is circumspect before the Sovereign, when the Sovereign, before he asks his advice, has the misfortune to let a single word escape that betrays even the appearance of an opinion on the object under deliberation?

Recapitulation of the foregoing Thoughts on Taxes and their Effects.

THE fate of the various kinds of taxes, is similar to that of political operations, which pretty regularly bring about the very contrary of what had been expected from them: thus if you tax the consumption of the rich, presently the poor alone will pay the impost, and will continue to pay it till an insurrection will make you sensible that he is brought too low; now this insurrection is commonly the consequence of a trifling scarcity, which, it seems, Providence sends to the unfortunate in order to encourage his asking for

for juſtice, in the only manner that is likely to prove ſucceſsful: on the contrary, let the tax be laid on the general conſumption, without ſparing that of the poor, the man who poſſeſſes, ſhall be, no doubt, neceſſitated to pay for the man who has nothing, if the former wiſhes to enjoy the labour of the latter; and on the very ſame day, when the tax is laid on the conſumption of the labouring man, he will not heſitate to demand an increaſe of wages to the full amount .... How is he to be deceived?—If it be well to deceive the poor as long as poſſible, then tax nothing but the conſumption of the rich. But whatever be the manner in which the impoſt is laid, as ſoon as its effect ſhall be general, the burden will prove *null* (SAVE THE INJURIES INSEPARABLE FROM ALL OTHER TAXES, BUT THOSE THAT BEAR UPON CONSUMPTION): this effect is no more than a general advance in all the prices: an advance, it is true, already acknowledged neceſſary with regard to the taxed articles, but dreaded hitherto in regard to all the reſt, *where it ought to have been wiſhed for*; univerſally felt, but never juſtly eſtimated; the *nullity* of the burden of the debt would have been determined by the eſtimation.

The poll-tax, *ſuppoſed to be eſtabliſhed by Divine Juſtice*, would enhance the price of labour, and

of its products, but by a fraction equal to that which the amount of the tax ſhould be, in the maſs of both revenues, land and induſtry. Ten millions of a poll-tax on a revenue of 120, would increaſe the prices of every thing by one twelfth; and every man thus taxed, would evidently after the advance of prices, in conſequence of ſuch a poll-tax, find himſelf in the very ſame ſtate he ſtood in before the tax; yet one twelfth more muſt be given for every thing, but then one twelfth more would be received for every thing.

All other kinds of taxes, as well as the poll-tax, ſeem to affect only the article on which they are laid; but this article comprehends the three intereſts, and trebles the action of the tax when the intereſt of the labouring man, that is, the price of his day's work, conſtitutes, as it does in *England*, nearly one third of the revenue.—— How could it be ſuppoſed that the taxing of induſtry in its products, was granting to its *capitaliſt* the *right* of increaſing his price by the whole amount of the tax, without making it *neceſſary* for the land proprietor to enhance the price of his commodities at the ſame rate? And how could it be ſuppoſed that the products of agriculture and induſtry, happening to be, by a very

very juſt re-action, (whether it originates with the one or the other), increaſed in price in the ſame proportion, agriculture and induſtry ſhould not be compelled to increaſe of courſe the price of labour which procured thoſe products? If therefore you advance by 10 millions, the prices either of all the productions of the earth, by taxing agriculture, or of all the productions of the arts, by taxing induſtry, you equally compel the untaxed part to advance its prices to the whole amount of the 10 millions laid on the correſponding part, *otherwiſe goods to the amount of* 10 *millions would evidently remain unſold.* Now the influence of thoſe new prices will enforce by degrees an increaſe on the price of labour, and this increaſe will ſoon be followed by a freſh one on the value of its products; whence it appears at laſt, that after all the neceſſary re-actions, the ſame tax of 10 millions, which by a general *equitable* poll-tax, ſuppoſed *as equitable as it is* IMPOSSIBLE *to make it ſo,* would only raiſe the prices by one twelfth, or $8\frac{1}{3}$ *per cent*; if laid, either on the land, or luxury, or general conſumption, would neceſſarily advance the prices, ſooner or later, to 25 *per cent.*; the very preciſe period whereat every one would find himſelf in the exact ſtate in which he was previous to the tax, paying,

it is true, every thing 25 *per cent.* dearer, but being himſelf paid 25 *per cent.* dearer too.

Alter the proportion of the uſual price of labour, by ſuppoſing a country ſo far barren as to make it neceſſary to appropriate one half of the revenue to the labouring people; in ſuch caſe a tax of 10 millions laid on a revenue of 60 would increaſe by 30 *per cent.* the price of labour, and of its products; 30 *per cent.* would raiſe the revenue from 60 to 78 millions: now 39 being the half of 78, as 30 is that of 60, the burden of the tax would then prove equally *null*, after every article ſhould have been raiſed 30 *per cent.*

Alter again the proportion of the common price of labour, by ſuppoſing that the cultivator is allowed only one fourth of the revenue; this diviſion may take place in a country extremely fertile; in this caſe, a tax of 10 millions on a revenue of 60, would only add 20 *per cent.* to the former prices; inſtead of raiſing the revenue of 60 millions to 75, as in the caſe of three equal ſhares, or to 78, as in the ſuppoſition of the revenue being divided in halves, the tax would then carry it only to 72. Now the 4th part of 72 is 18, as 15 is the 4th of 60: therefore if, after

after the tax is impoſed, you give 18 wherever you paid only 15 before that period, the burden will clearly be *null* again, ſince the increaſe in the price of labour, muſt have followed the advanced price of its products, an advance neceſſitated by the impoſt.

Here, methinks, I hear the enthuſiaſts exclaim, *How! the fertility of the land is then of no advantage, but to its greedy owners!*—I am in hopes that before I conclude this Pamphlet, I ſhall be able to find, to the great ſatisfaction of all good men, how many advantages remain in the hands of the moſt opulent land proprietor; nay I hope to prove that in a fertile land there is nothing loſt to any of its inhabitants, unleſs *extraordinary efforts be uſed to concenter within that ſpot the general benefit which muſt reſult from it.* I ſhall content myſelf at preſent with requeſting the reader to compare my thoughts on the taxes, with the two following problems, ſo often debated both in *England* and in *France*. How is it that *France* has conſtantly retrieved her errors and her misfortunes? How comes it that *England* has not yet ſunk under the burden of her taxes? The *French* exciſeman ſays: *It is becauſe the more the people are loaded, the better they walk*; and very ſenſible

men in *England* uſed to ſay, " *Reaſon and expe-* " *rience* ſeem to prove that taxes ſtimulate in- " duſtry, and that the poor, *to live as well as* " *before, perform more work without demanding* " *more for their labour.*" (*D. Hume*'s Eſſay VIII. on Taxes). It ſeems to me that the above two problems are more humanely ſolved by the reaſons I have produced, and that thoſe reaſons deſtroy all idea of a miracle, or of the neceſſity of loading the people in order to ſpur their induſtry, and encourage them to work: on the contrary, to forward thoſe two great points, it is neceſſary to increaſe the price of their labour in the ſame proportion as that of its products is raiſed by the taxes; and this will ſuffice to render evidently *null* the burden of all taxes whatever.

Further Conſiderations on the Neceſſity of a Correſpondence between the Prices of Agriculture and thoſe of Induſtry.

I HAVE ſaid it more than once, and beg leave to repeat it here: Let any eſſential object be denoted by one number or another; it is a matter of perfect indifference, provided the numbers intended to denote the *maſs* of objects correſponding thereto, do not preſent any ideas contrary

contrary to the proportion of labour which exiſts between the *eſſential object*, and the maſs which is to form its balance. Thus then, be the value of wheat, which ſerves as the general ſtandard, becauſe it is uſeful to all, at all times, and which ought to be ſo, from another conſideration almoſt equally powerful, namely, that it conſtitutes about one third of the landed revenue in *Europe*— be its value, I ſay, denominated 30, 50, or 25, nothing more indifferent, provided the numbers denoting the value of the other products of land and induſtry, keep exactly, either by more or by leſs, within the ſame proportion; it is clear that, in ſuch a caſe, neither the land proprietor nor the *capitaliſt* of induſtry, can undergo from the alteration in the numbers, any real alteration in their circumſtances. But to think of nothing but the manufactures, and imagine it poſſible to maintain, and endeavour ſeriouſly to maintain, wheat at the ſame price, whilſt the taxes advance by 10 *per cent.* that of the products of induſtry,— is to aim at the ruin of agriculture, and to oblige all the proprietors of land and money, whoſe employments in the State would not indemnify them for ſuch an injuſtice, to go in ſearch of another country, where the manufacturer, better acquainted with his real intereſt, would know, or act as if he knew, that the ſolidity of his wealth

wealth is inſeparable from that of the land proprietor, and from the eaſe of the proprietor of money, and of the labouring man.

Then perhaps thoſe national manufacturers, ſo proud and ſo jealous of their exportations, ſo greedy of premiums, prohibitions, reſtrictions, encouragements of all kinds, would ſue more ardently to have thoſe nuiſances ſuppreſſed, than they ever did for their eſtabliſhment.

Nothing more admirable than thoſe regulations to which *England* acknowledges to be indebted for the beſt part of her wealth and power; but they crept in at a time when ignorance generally prevailed, when all the other parts of *Europe* had almoſt no idea either of the principle of commerce, or of its influence over all the other reſources of ſociety. In effect, from what known point could one then ſtart, to imagine that a nation, who openly countenances monopoly at home, in order to encourage her foreign trade, lays the moſt ſolid baſis for the monopoly ſhe wiſhes to ſecure to herſelf every where? How was it poſſible to conceive that the *Dutch*, a nation ſo neceſſary to thoſe that are deficient in means, and ſo forcibly compelled by the ſuperabundance of their own, to make them ſerviceable to thoſe who ſtand in need of them, could not be ſhut out from the *Engliſh* ports, without depriving the reſt of *Europe* of the advan-

advantage, which their admittance every where was neceſſarily calculated to procure to their correſpondents, by ſecuring to them, *as well as to England*, a competition ſo eſſential to all, and fatal to monopoly alone? *Europe*, buſy at that time in ſearch of another ſort of equilibrium, did not conſider what weight commerce, carried on upon ſuch principles, would throw into one of the ſcales; how could *Europe* then ſuſpect that it would overthrow the balance entirely? But what is the final reſult of all theſe projects againſt Nature?—The pretenſions of the Eccleſiaſtical State ſtirred up all *Europe*; *and the Pontifical See was fixed in its proper place.* *France* rouſed all *Europe* againſt the ambition of the Houſe of *Auſtria*, much more formidable by its real power; *the Imperial Throne was fixed in its proper place*, and *France* was hailed as the founder and aſſertor of *European* liberties. Soon after the Protectreſs became a deſpot; *England* ſtirred up all *Europe* againſt her, and *France was, aukwardly, thrown out of her proper place*; *England*, the principal inſtrument of the revolution, made an improper uſe of her importance, as had been ſucceſſively done by the Eccleſiaſtical Power, the Houſe of *Auſtria*, and by *France*;—the Armed Neutrality appeared, and preſented a code of laws unheard of before; it was juſt; every nation,

nation, that had not bowed beneath the *Engliſh* yoke, adopted it:—there was an inſtant, when this armed neutrality might have dictated both to *England* and *France*, laws as equitable as the code itſelf; and all *Europe* would have applauded, had even *England* and *France* united, at that very inſtant, to exterminate in concert the whole naval force of *Europe*, then burnt the exterminating fleets, and themſelves given to all the world thoſe very laws of equity which were intended to be impoſed upon them.

Every thing, at this moment, is in that happy ſtate, which gives time to reflect upon what is paſt, to ſee what is preſent, to look forwards to what is to come, and to conſider an *enſemble*, the very idea of which could not be admitted during former periods. A few clouds, diſperſed here and there, do not ſpoil the beauty of the horizon; no body can now, for any length of time, think it his intereſt to ruin and deſtroy; and every body is concerned not to ſuffer any thing to be deſtroyed. I return to my ſubject, if I may be ſaid to have deviated from it.

If a diminution in the price of the neceſſaries of life be looked upon as ſo very important, there exiſts a ſure method of effecting it, even in *England*,

land, without any detriment to the land proprietor. Let us ſee whether this very method would prove injurious to the true intereſt of the manufacturer, who muſt be patroniſed, cheriſhed as the fountain head of riches; I mean that kind of riches called *money*, which could not long ſubſiſt without the riches called *wheat*.

Fourteenth Hypotheſis.

Let us ſuppoſe, that, by the ſuppreſſion of the monopoly enjoyed by the manufacturers, and of which they are ſo jealous, the price of the whole of their goods ſhould fall one tenth; in ſuch a caſe, the wheat which the new taxes will enhance in price, I ſuppoſe, in the proportion of 40 to 44, would, upon a medium, fall back to 40; and in this caſe again the produce of the manufactories would only coſt induſtry 20 inſtead of 22, at which they will be rated when wheat ſhall have riſen from 40 to 44; for, in the latter ſuppoſition, it will be neceſſary for induſtry to pay finally this increaſe of expence, in favour of the artificers, who would not long ſubmit to an injuſtice, without preſenting *petitions* in their own way: juſt as wheat muſt indiſpenſably riſe from 40 to 44, in order that the land and money-proprietors be not compelled to leave their country, to the great prejudice of the internal conſumption, ſo eſſential to the trueſt intereſt of the manufacturer.

Let

Let it then be ſuppoſed, that wheat ſhould fall from 44 to 40, and ſo of all the reſt;—I confeſs that the proprietor of money would thereby become a gainer, and that the general perſuaſion is, that it is ſalutary he ſhould loſe: but would he long ſupport his gain? Would not the encouragement which every thing muſt derive from this new order of things, from that activity which trade would find in the new channels that would open every day, when commerce ſhould build on that true principle, acknowledged to be the only unerring one, *the exchange of commodities*, (excepting the bullion required for the five articles before mentioned)—would not that activity, I ſay, that encouragement, inſpire in all parts of *Europe* an eagerneſs for labour, neceſſarily followed by an increaſe of *real* wealth, a creation of new productions, and by an increaſe of that *imaginary* wealth, ſtill more ſtimulating than the former, becauſe it is its proof and its pledge, but which cannot be obtained without a general increaſe in all the prices?

Will it be ſaid, that, on the firſt moment, the fall of prices would affect the intellects of thoſe who can only ſee, but never compare? that the people, for inſtance, would lament their being reduced to 10, from the 12 they had been accuſtomed

cuſtomed for ſome days to receive, although they ſhould pay only 5 for what coſt them 6 before? In this caſe, keep up the prices, but without exception, and export on the true principles of exportation: take for your guide the example ſet up by my countryman, the *American* of *Philadelphia*, in ſelling dearer becauſe you are compelled to do ſo; propoſe to buy dearer alſo, and this will be only an act of juſtice; you will ſee hereafter that you would at laſt be juſt, in ſpite of yourſelves; be ſo intentionally: you cannot come down to the price of your purchaſers; raiſe their prices to a level with your own, they will obſerve that even the firſt profit is not the lot of the firſt bidder, if every one doing juſtice to himſelf bids in proportion: mean while, the eagerneſs for labour goes on increaſing, and by little and little the benefit extends to the loweſt wretch that dwells in the community; he finds more work to do, and a greater reward for it.

It will be ſaid no doubt, that this is another ſuppoſition of a general agreement.—No, certainly not; it is enough for every one to ſee that it muſt be ſo; that it will happen without any other help than the private intereſt of each individual; that theſe private and niggardly meaſures, already taken,

taken, or to be taken, in order to prevent the reſult of all thoſe perſonal intereſts, are of no uſe but to keep juſtice at a diſtance; to multiply the number of injuries which daily take place, till what muſt be, comes to paſs; to produce a greater evil, where it might be leſs; to ſubſtitute *forced*, to *neceſſary* prices: but it is ſo evident that wheat, and all the productions of the earth, ſhould increaſe by one tenth, as ſoon as the taxes, or an acceſſion of wealth, ſhall increaſe by one tenth the price of the products of induſtry, that it is neceſſary to lay this principle as the baſis of all regulations, *or elſe openly to adopt as a maxim, that agriculture ſhould be ſacrificed to induſtry.*

This maxim, I ſet forth of the correſpondence required between the prices, together with the inconvenience of having them too much out of proportion with thoſe of other nations, militates, it is true, againſt that monſtrous ſyſtem of prohibitions, corporations, &c. which is the only burden entailed upon us by our forefathers, *the only burden* which the preſent legiſlatures can tranſmit to poſterity; but although it might be an abſurdity to ſuppoſe a reform as ſudden as it would be advantageous, yet would it be leſs abſurd to ſuppoſe that, the evil being once found out, the remedy will conſtantly be rejected? Would it be leſs abſurd to ſuppoſe, that the manu-

manufacturers, better acquainted with their real intereſts, will perſiſt in endeavouring to aggravate the evil, inſtead of complying with the only means of retrieving it? Would it be leſs abſurd to ſuppoſe, that each of them will never perceive that he pays for the privilege of ranſoming in his branch of induſtry, by the diſadvantage of being himſelf ranſomed on a thouſand other objects? *Ruſſia*, 30 years ago, was perhaps more diſtant from her preſent ſtate, than the unmaſking of monopoly, and the knowledge of its effects, will be from its extirpation.

On a Cauſe little ſuſpected of high Prices.

I AM not aſhamed to own the prejudice I entertain againſt a diminution in the price of any thing whatever, when I obſerve that diſcouragement, at leaſt in the part affected, would be the conſequence of ſuch a diminution; whilſt, on the contrary, a gradual, general, and proportioned advance in the prices of every thing, is conſtantly followed by a greater activity in all the branches of labour, which really increaſes the quantity of its productions, in a proportion far ſuperior to the advance on that imaginary, *nominal* value, acquired by fermentation; my intention, therefore, cannot be to declaim againſt one of the moſt

potent cauſes of the high prices prevailing in *England*, and which nobody, I think, has yet mentioned. This laſt expreſſion ſhews, that I do not mean here, that quantity of paper-money, to which many people, in more than one kingdom, aſcribe all the evil, of which the ſole real part is the work of monopoly. I think I have proved, that it is impoſſible there ſhould long remain in circulation any paper above the neceſſary quantity: all would flock to the Bank to be paid in caſh, had not the Bank enough of it to diſcharge her notes, when preſented, with ſuch readineſs as to leave no doubt of the validity of thoſe other notes, which, in the natural courſe of things, would not be preſented there to be paid in money. The Bank would derive very little advantage from the momentary cheat of paying off large ſums in ſixpences; this legerdemain is admirable, but can ſuffice only to correſpond to the wanton tricks ſometimes played by great politicians, to give the Bank a momentary trouble. It is, *then*, neceſſary to rock thoſe children, whom great men make it their amuſement to ſcare; and they muſt be rocked till they are faſt aſleep, or till the great men are tired of making faces at them. After the farce is over, the children wake, and do not even remember to have been frightened; money is found wherever it is neceſ-

ſary,

ſary, and every thing returns to that order which it is every one's intereſt to maintain.

What then is that other cauſe, ſo active, ſo cogent, not of that extravagant price which monopoly alone can occaſion, but of that price rather above the *neceſſary* one, which gives to every thing an increaſe of vigour? It is credit. It is that prodigious taliſman which realiſes all that it conceives, ſince all that it conceives has the ſame advantage as reality. How many capitals would never have exiſted, had not credit ſuppoſed them ſeveral years before they did really exiſt? How fill up the real chaſm of capitals, which may, in an inſtant, ſuſpend a hundred manufactories in a kingdom, and, by that ſuſpenſion, ruin, ſtarve, the trader, the merchant, the manufacturer, the mechanic, all, except the farmer, whether proprietor or tenant, who, by the counter-blow, could not die of hunger, but in real miſery on his ſtacks of wheat, which he would no longer attempt to reproduce.

That man is ignorant of his own value, who, pen in hand, weighs, calculates, meaſures time, diſtances, expenditure, obſtacles, facilities, occurrences; and whoſe ſignature, on account of the ſuppoſed exactneſs of his combinations, will

ſoon after produce, at two or three hundred leagues diſtance, and in fifty places on the road, the ſame effect which would have reſulted from the real poſſeſſion of the object of which this ſignature is the pledge. If he ſhares with all thoſe whom he makes eaſy, re-animates, or puts in action, the benefit which they derive from the ſpeed, as well as from the ſuppoſed certainty of his operations, undoubtedly no one will diſpute his title to the reward; and yet we ſhall ſee preſently, that this medal is not without its reverſe, *ſuppoſing an advance in prices to be an inconvenience.*

I ſhall apply the principle to a fact very well known in *England.*

In the year 1762, about 2000*l.* ſterling, carried to the iſland of *Grenada*, was there received with that veneration due to gold when we have been years without ſeeing any, and have not yet forgot its virtues.

The above ſum regulated the markets; coffee was ſet up at eight or ten pence *per* pound; ſugars ſold *per* quintal thirty or forty ſhillings currency; the inhabitants were in perfect ecſtacy: I ſhall ſay nothing of the device practiſed in order

order *to hook in*, by means of thoſe 2000*l.* about thirty times the value of that ſum, and yet ſatisfy every body: that is foreign to my ſubject; but I will ſay, with pleaſure, that an honeſt gentleman, moved at the diſtreſſed ſituation of another who was dunned by mercileſs creditors, gave him in hard caſh a trifling part of the ſum he wanted, and for the remainder furniſhed him with his own bills of exchange on *London*, aſſuring him that thoſe to whom they might be preſented would take them for caſh without any demur. Thoſe bills had fully the promiſed effect; the ſame gentleman obliged ſeveral other perſons; the benefactor ſoon met with competitors, all difficulties diſappeared by means of ſcraps of paper on *London*, and the debtor who, on the landing of the precious metal, had deemed himſelf too lucky to ſell his coffee at ten-pence and his ſugar at 40 ſhillings, now offered impudently his bill on *London*, indorſed by ſome patron, if a creditor refuſed to give him 45 ſhillings for his ſugar, and twelve-pence for his coffee.

Gold, attracted by the firſt homage paid to it, came in plenty, and fell in value by the eſtabliſhment of credit; it afterwards took another courſe, and went, no doubt, ſomewhere elſe to ſupply the want of credit, and pave the way to it. From that

moment very little money came to *Grenada*, and no one ever wiſhed for more; but then the price of commodities was advanced, and the readineſs with which goods, to the amount of ſeveral thouſand pounds ſterling, were delivered to ſuch a planter as, ſix months before, would not have preſumed to demand the ſixth part of them, did not permit him to ſtart any objection againſt the prices ſet on the goods he ſtood in need of, when he thought himſelf indemnified for the exceſs in thoſe prices, by that at which his were rated, *and by the time granted him to make good his payments.* The *Grenadians* abuſed this credit, as they did in *Scotland*, and unfortunately at the ſame period. But this is not the matter in point; the preſent object is, that the eſtabliſhment of credit in *Grenada* enhanced the price of every thing there, and that the encouragement and activity reſulting from that increaſe doubled, in the ſpace of ſix years, the real quantity of the products in that colony, whilſt credit had, in the end, increaſed its nominal value hardly one tenth. In 1764 the exports of *Grenada* amounted to 206,889*l.*; in 1770, they were at 433,421*l.*; two years after, they roſe as high as 492,974*l.*: it may be added, that in *England*, thanks to the extenſion of that miracle wrought by credit, the benefit

ariſing

ariſing from thoſe new products, and the neceſſity of furniſhing the balance thereof in merchandiſe, propagated, if I may be allowed the expreſſion, from county to county, the neceſſary means of *conſuming*, that is to ſay, of *realiſing*, that augmentation of wealth, whoſe price was conſtantly kept up by the additional conſumption of all kinds which followed it: ſuch is the uſual chain.

In effect, do but obſerve how eaſily a creditable merchant buys from the manufacturer, payable at twelve months, an enormous ſtock of goods, which he is himſelf obliged to ſell, either to the conſumer or to the retailer, at twelve, eighteen, or twenty-four months credit, and which often are not totally paid for at the end of three years. What difference in the prices muſt be the conſequence of that ſeries of *facilities!* Are high prices an evil? Put an end to credit, nothing more eaſy; nothing more is required, than to ſuffer to lie dormant all thoſe laws, which ſecure to the creditor, the payment of his advances at the preciſe time when they become demandable: it is that certitude of being repaid, at the needful hour, that often induces the creditor himſelf to borrow, in order to extricate a debtor, whom he knows to be indiſcreet, but from whoſe cuſtom he derives a conſi-

derable yearly profit, upon a prodigious conſumption; a profit he would loſe, by being leſs indulgent: take away from the creditor the certainty of extorting his repayment, if it ſhould be refuſed at a moment when a critical event ſhould render ſuch rigour indiſpenſable, credit is deſtroyed, *as well as* the conſumption which followed it, *as well as* the production of the earth which could not be paid, but by thoſe manufactories annihilated by the want of conſumption: croſs the Straits of *Calais*, and (in order to conſole the *worſhippers of the balance)* add, *as well as* thouſands of acres of vineyards in *France*, the produce of which *ſtrips England* annually of ſo vaſt a ſum! *as well as* thouſands of acres in *Italy*, ſet apart for the rearing of ſilk-worms, and the culture of olive-trees, which ſwallow up a prodigious ſum of *Engliſh* money; *as well as* thouſands of acres in *Sileſia*, where they cultivate the hemp which *Engliſh* money buys in that country; *as well as* thouſands of acres in *Ruſſia* and in *Sweden*, whence we are obliged to import, at the expence of ſo much *Engliſh* money, that immenſe quantity of timber, iron, canvaſs—articles which would become uſeleſs by the extinction of credit, and the deſtruction of that trade, of which credit was the very ſoul;—the chain would lead us too far. It is ſufficiently evident, that

that then all the goods remaining unſold could not be purchaſed but with ready money, and *then* indeed every thing would be exceſſively cheap. Would all that be for the beſt?—In a word, give up all thoughts of riches, or ſubmit to the higheſt prices; but let thoſe high prices come to you from the profuſion of wealth univerſally diffuſed, and not from the tyranny of your own monopoly.

The happy Iſſue of a deſperate Combat between Monopoly and ſome private Intereſts.

THE ſcene of this combat does not lie in *England*; we have ſeen that there they think of nothing more than to keep the balance even, and make up, as faſt as poſſible, each in his own department, for the injuſtice granted to the importunity and cupidity of others, without any other inconvenience ariſing therefrom, than that of having a very large ſurplus, exceſſively dear, and that of not being able to procure what is wanted at the loweſt rate, nor of the beſt quality. Even Smuggling, which follows certain regulations, with bludgeons and piſtols in hand, cannot produce any great effect on the ſum of national labour, though it may perhaps conſiderably influence the revenue of the Exchequer; it is probable that

that the ſmuggler exports as much *Engliſh* work into *France* as he imports of *French* work into *England*; and that, in this reſpect, the gain of the moſt fortunate individual comes to very little: my intention is, to ſpeak here of a combat, which has laſted a hundred years between the *French* FAIR trader and the *American* ſmuggler.

The ſyſtem of adminiſtration adopted under Monſ. *Sartine*, for the *French* colonies, a ſyſtem, for which they are indebted to ten years labour of Mr. *Malouit*, the preſent Intendant of *Toulon*, permits us to ſpeak now of that combat, and to deſcry the dawn of a more ſerene day, opening uopn thoſe colonies; till then, I ſhould not have heſitated to call them unfortunate, *in regard to their means*, if the private intereſt of the inhabitants, as well as that of the general officers, Intendants and Directors of the Domain, (intereſts never combined but amongſt the latter) had not moderated the effects of that dreadful puniſhment the galleys, denounced at the requeſt of the *French* merchants, againſt any one who ſhould preſume to import a negro or a cheeſe from the *Engliſh* iſlands into the *French* colonies, however good the one, however induſtrious the other might be; and whatever advantage might be gained by paying for both in molaſſes which the

the planter was obliged to throw away, *becauſe the French merchants would not buy it.*

It is true, that the humanity of the *great* ſmugglers has often ſuffered the *little* ones to eſcape, before or after ſentence, (the negro and the cheeſe being duly ſeiſed); and that a dozen of the little ſmugglers whom the policy of the great ones ſacrificed *by inſtallments* to the clamours of the merchant, were nearly the only victims of that barbarous law, the ſtrict execution of which would have deprived *France*,

Firſt, Of the fifth part, at leaſt, of the preſent revenue ariſing to her from her colonies;

Secondly, Of all thoſe branches of induſtry to which ſuch an addition of revenue gives conſtant life;

Thirdly, Of all the profit which the *fair* trader, the inſtigator of that barbarous law, gets annually on the importations and exportations which that additional income requires;

Fourthly, Of the duties which the King's treaſury receives directly, or indirectly, from the

the one and the other; (it is impoſſible to eſtimate this article;)

Fifthly, and in fine, of the aſſiſtance which the State derives for the Royal navy, from that increaſe in its trading one, which became neceſſary after the increaſe of a revenue, due to people who ſhould have been ſent to the galleys, had they been caught in the flagrancy of ſuch a crime. One half of the cotton and coffee which is gathered at *St. Domingo*, *Martinico*, *Guadaloupe*, and *Grand Terre* above all, owes its exiſtence to negroes, conſtantly furniſhed to the *French* ſmuggler, both great and ſmall, by the *Engliſh* merchant, the natural, *and as it plainly appears*, the neceſſary enemy to *France* and her trade; the quantity of ſugar and indigo which in the ſaid colonies owes its exiſtence to the ſame means, is much more than neceſſary to make up that fifth of the revenue, the glory of which may be claimed by the ſmuggler, though the *fair* trader comes in for a ſhare in the profits.

Any one deſirous to have this fact confirmed, may be informed of it by nine tenths of the *French* planters, provided they be taught that the time is now come, when every uſeful truth may

may be ſpoken, even with energy, when accompanied by decency. This once aſcertained, he is no native of *America* who will refuſe his evidence; an *American* believes in every thing that is juſt and reaſonable, the very inſtant that it is pronounced.

I ſincerely wiſh that ſmuggling might produce in *England* the ſame good it has done to the *French* colonies; this would appear to me very juſt, and the more ſo, ſince it will not be the fault of the *Britiſh* commerce, if that bleſſed contraband, after having given life to *America*, does not ſpread the ſame animation every where, *Great Britain excepted.* I have heard an *Engliſh* manufacturer prove at the bar of the Houſe of Lords, that his manufactory was in want of a ſpecial patronage, by ſo much the more, as the ſize and brittleneſs of his ware made it a difficult point for him to ſmuggle it over to the continent, and as a duty of 30 *per cent.* had been lately laid upon it, in the two countries where it concerned him moſt to have it exported. Amongſt other queſtions that were put to him, I remarked four, which would have ſtunned me, had I been in his place. One of theſe queſtions was as follows: " Have you " not heard that that 30 *per cent.* of which you " complain,

" complain, was laid in conſequence of ſome " prohibitions, or extra duties impoſed in *Eng-* " *land* on ſome articles imported from thoſe " very countries which you allude to?" I could make nothing of the manufacturer's anſwers; they were ſo long-winded, they had been ſo carefully ſtudied, they were ſo very full of a policy which I do not underſtand, that it became impoſſible for me to claſs them under any heads in my memory.

Reflexions on a very ſtrange Revolution in France.

A General maxim, almoſt univerſally adopted beyond contradiction, and the foundation of an hundred regulations, enforced from pole to pole, is, that it is eſſential for all national commodities to be at the loweſt price, in order that foreign trade may turn out to the beſt advantage; that is to ſay, for the native traders to be able to diſpoſe abroad of the products of national induſtry, at a cheaper rate than any other nation can ſell thoſe of her own. Certain it is, that the leſs price national commodities will bring, the leſs of the products of national induſtry will be neceſſary to pay them off, the more of courſe will there remain of thoſe products to ſtock the foreign

foreign markets, and the more alſo will the foreign purchaſer be gratified by the reduced price at which they may be given, to the detriment of the land proprietor of the nation; this is ſo ſelf-evident that it cannot be withſtood. This, methinks, is carrying to an exceſs the principles of Chriſtian charity, if the Legiſlators are land proprietors; it is a ſhameful abuſe of power, if the Legiſlators are at the head of manufactures; and in either caſe one muſt be blind to the neceſſity of keeping up an even balance between agriculture and induſtry.——*Had not Nature militated under hand, and with ſome advantage againſt the dreams of ſpeculators in this reſpect, and againſt the much more dangerous ſurreptions of cupidity, to what ſtate of abjection and miſery would not agriculture be now reduced in all countries!*

I have ſaid, that the price of every thing would perhaps be now in *France*, very little different from what it was 40 years ago, had it not been for an eventual circumſtance, (I might have ſaid a regulation,) which a few years ago tertiated, at leaſt, the fortune of every ſubject in that kingdom;—nominally at firſt, it is true; but afterwards in reality, owing to the prodigious encouragement that enſued; I mean the regulation

lation which permitted the exportation of wheat, and authoriſed each of the *French* Provinces not to conſider herſelf as a ſtranger to all the others. I ſhall only make a few reflexions on a matter which might furniſh enough to fill a volume.

Firſt, The adopted maxim of the pretended advantage of enjoying the national commodities at the loweſt prices, *for the better encouragement of induſtry*, was not held leſs ſacred at the time the regulation took place, than when that maxim was conſidered as the baſis of the ſyſtem of exportation *the moſt advantageous to the kingdom*, and the condition *(ſine quâ non)* of the many wonders that might be expected therefrom, towards an increaſe of wealth.——Yet if there exiſt a regulation calculated to operate in diametrical oppoſition to the *ſacred maxim*, it is clearly the freedom of the corn trade; to be convinced of this truth, one need but attend to its effect in *France*. The little ſucceſs I have met with in my endeavours to come, in this reſpect, at ſome particulars which might perhaps have given me a few ideas, confines me to what I can gather from recollection; but with truth I can ſay that my memory ſeldom deceives me on the abſtracts it preſents to my mind. The reader may perceive, that the ſummary I now ſtand in need

need of, has no manner of connexion with the little ſprings that were put in play to ruin the author of the ſcheme; the chief and true point, is, that all ſecret intrigues, all public combinations, ended only in occaſioning a reform in what was deemed abuſive, in a regulation the advantages of which were fully demonſtrated; and that the price of wheat, after having tertiated, doubled, trebled perhaps by the help of the foreſtallers, from whoſe abilities were expected the repeal of the law and the fall of its deviſers, was fixed at laſt between one half and three fourths above the price, as it was upon the medium of ten years preceding the regulation. It is eaſily conceived that the price of wheat dictated that of all other commodities; in effect, previous to the laſt war, the only deciſive period in the preſent point, the nominal revenue of the lands in *France*, increaſed by one half at leaſt of what it was 15 years before;—then, commodities were, upon the whole, dearer by one half; yet the maxim was held *ſacred* ſtill, and is not leſs ſo at the preſent time—in *England* as well as in *France*;—nevertheleſs I can ſee no medium; either the maxim is abſurd in itſelf, or *French* induſtry has loſt one third of its benefits by a regulation which tertiated, almoſt ſuddenly, the price of all productions in *France*.

Secondly, In order that induſtry may be ſaid to have loſt that third, the increaſe of revenue, yielded by the land to its proprietor, muſt have been caſt into ſome national *vortex*, or ſent into ſome foreign one, or concealed in the earth by the ſuſpicious proprietor; for if the ſurplus of the landed revenue has occaſioned a greater demand for and conſumption of the products of induſtry, and more culture of the land, induſtry, by raiſing the price of her goods on the very firſt increaſe of the demand, has obtained in the firſt year, her firſt ſhare in that acceſſion of wealth; and ſhe could not miſs the ſecond, ſo ſoon as a larger ſum of ſavings beſtowed upon the lands, had brought about what they never fail to produce, I mean, more productions, and ſoon after a greater demand for goods, and *ſoon after* again more goods to anſwer the additional demands.

Thirdly, If that ſudden advance in the price of proviſions, ended only in an increaſe almoſt equally ſudden in the price of the products of induſtry, there could not be then any inconvenience, either to induſtry or agriculture, in a ſudden and proportionate riſe which preſerved the former equilibrium, and preſented the ſame correſpondence between the two revenues; (the only

only thing that can materially affect the two *capitaliſts*, though neither of them think about it.)

Fourthly, If there has been no inconvenience in ſo conſiderable but proportionable increaſe in the prices, *coming from agriculture*, where could be the inconvenience in a proportioned increaſe, equally ſudden and general if *it ſhould come* from induſtry?

Fifthly, What difference can there be between a regulation which raiſes the landed revenue in a kingdom, from 6 to 9, followed by a re-action in induſtry, which raiſes equally to 9 what uſually went for 6; and another regulation which would begin the ſame operation in induſtry, and ſhould be equally followed by a proportionable re-action in agriculture?

Sixthly, When, by a regulation reſpecting the corn, induſtry is at liberty to enhance the price of her goods, in the ſame proportion as the effects of the regulation have raiſed the products of agriculture, cannot a regulation that concerns or impoſes taxes, and by which induſtry is forced to increaſe her prices by the full amount of the taxes,—cannot ſuch a regulation, I ſay,

permit the cultivator, without inconvenience, to advance the price of the productions of the earth, in the ſame proportion as the taxes, or the regulation concerning them, have increaſed that of the products of induſtry?

Seventhly, Let us ſuppoſe that the operation is effected, and followed by the ſum of money which a nominal revenue, grown more conſiderable, requires for the circulation; can there exiſt then the moſt trifling difference between the preſent ſtate of any individuals in the nation, and the ſtate they were in previous to their being loaded with that enormous burden, called taxes?

Eighthly, If after enquiry, the only anſwer that could be given ſhould be a negative, would it not be profitable to let the public into the ſecret, in order that after having obſerved a very ſingular analogy between a young nymph loaded with a column of ſeveral thouſand pounds weight of air, each of them as heavy as if it were of lead, and the *French* as well as the *Engliſh* loaded annually, conſtantly, in the ſame manner, the one with 600 millions of *livres Tournois*, the other with 14 or 15 millions of pounds ſterling, they ſhould be led further to obſerve, with what

what agility, what graces, what ſprightlineſs, the young dancer plays with her load—" trips it " along on the fantaſtic toe," and with what grimaces, what groans, what lamentations, the two vigorous nations ſhrink under a burden which is not more ſenſible than air, from the inſtant that it is as perfectly divided ?

I muſt here go ſome ſteps back:

Ninthly, If the nullity of the burden depended on the equality with which it ſhould be divided, and if this equality ſhould depend on an addition to the ſuppoſed burden, might it not be expected (not from the tricks of cuſtomary ſeduction, or from the ſhorter method of authority, but from all the means calculated to enforce conviction) that the nation would find herſelf leſs aggrieved by an additional tax, which would tend to equaliſe the weight, than ſhe could be by an increaſe of taxes laid for the purpoſe of effecting a reimburſement, which, upon a ſecond thought, no one can wiſh for ?

Tenthly, Before the regulation alluded to, wheat was, in *France*, one third or one half cheaper than it is at this day ; the reſt of the other productions of the earth ſtood in the ſame proportion : in *England*, at that very time, the price of wheat differed very little from what it

now is. How could *England then* maintain a competition—a combat, as it were, of exportation, againſt her *natural* enemy (the *French* induſtry), ſo lightly, ſo advantageouſly armed by the low price of the commodities in *France?*—If the maxim is as juſt as it is held *ſacred*, ſurely *France* muſt have derived a prodigious benefit from the barricadoes by which the exportation of wheat was prevented, even from one Province to another, in order that it ſhould be in all at the loweſt poſſible price:—it follows alſo that *England*, already compelled by her taxes, her internal monopoly, and her riches, to raiſe the price of her wheat at home, muſt have undergone dreadful inconveniences, by availing herſelf, as ſhe has ever done, of the leaſt dearth abroad, to make that very wheat dearer in *England*, whilſt ſhe was going to diminiſh its price wherever ſcarcity had made it exceſſive:

Eleventhly, If *France* has obtained ſuch wonderful advantages from her internal as well as external barriers, it is not in reſpect to her agriculture; her agriculture has clearly loſt, not only that part of the value in her productions, of which ſhe was daily deprived by this barrier, but alſo the encouragement which a gradual increaſe in the price of the productions would have occaſioned,

caſioned, to increaſe their quantity: it is therefore by the exportation of the products of her induſtry, which, being ſold at a price below that of all other nations, have procured her in money that prodigious balance of exported goods, *which the wretched ſtate of the national cultivator did not permit him to pay for:*—but obſerve, that the *French* exportation, carried on with that advantage (pretended to be ſo very conſiderable) of the low price of national commodities, brought no more money to *France*, than that which ſhe wanted for the five articles I have mentioned before, when treating of the balance of *England*. This matter I hope I ſhall ſet in the fulleſt blaze of evidence.—But, on the other hand, obſerve alſo that *England*, by an exportation carried on with the utmoſt regularity, under the ſuppoſed diſadvantage of her commodities being rated much higher than thoſe of her competitors, a rate which ſhe even increaſed herſelf, by the exportation of wheat, which ſhe encouraged by premiums—*by premiums, deſtructive of the ſacred maxim*; obſerve, I ſay, that under that diſadvantage, in ſpite of thoſe inconſiſtencies, as fortunate as they are real and palpable, *England*, nevertheleſs, has not failed to procure the money wanted for the five articles, the only ones that can give any value to

money.—Shall it be ſaid that *France* would have obtained a balance in money much leſs conſiderable, if ſhe had not kept her prices ſo low, if ſhe had acted with leſs reſpect to the maxim?—Shall it be ſaid, that the balance in money would have been far more favourable to *England*, had not the price of her commodities been ſo high at home; if ſhe had more conſiſtently acted upon the maxim; if, above all, ſhe had prohibited the exportation of wheat, which is ſo often lamented, and even ſometimes ſo loudly complained of by her manufacturers?—This indeed would be to appropriate great merit to the reſource of hiding money under ground, when we cannot flatter ourſelves with the thoughts of having too much of it, but at the expence of agriculture: but no matter; let us ſee whether the inference be juſt.

Twelfthly, Had *France* been indebted to the diſparagement in the prices of her commodities, for the advantage of procuring the money wanted for the five articles before mentioned, ſhe would have found herſelf in the impoſſibility of anſwering that want, as ſoon as, by the new regulation, thoſe commodities were reſtored to their natural value, as ſoon as the liberty of exporting wheat had raiſed its price almoſt to the level of that which it bore in *England*.—Now will it be ſaid, that ever ſince the landed revenue

In

in *France* has riſen from 40 to 50 *per cent.* by an advance in the price of commodities, leſs bullion has been ſpent by the *French* in plate, in gilding, and other articles of luxury?—Will it be ſaid that *France* ſtood in need of the money neceſſary to ſettle in caſh with her foreign correſpondents, when this reſource from circumſtances became preferable to the mode of paying in bills of exchange?—Will it be ſaid that ſhe fell ſhort of it for all thoſe Jewiſh and miſerable operations, or for that reciprocally beneficial ſmuggling with her neighbours?—Will it be ſaid, that her circulation, which, beyond any doubt, required a more conſiderable maſs of money, as ſoon as her revenue had tertiated, has ſuffered by that neceſſity of a higher balance, become impoſſible (according to the maxim) as ſoon as it grew indiſpenſable?—Will it be ſaid, that her induſtry has lingered away as ſoon as her agriculture has been more able to enliven it?—Yet all theſe abſurdities muſt be admitted, or it muſt be acknowledged that the price of commodities may be tertiated, or doubled in a nation, not only without injuring induſtry, whoſe buſineſs it is to keep within the kingdom all the money wanted for circulation, but even with ſecuring to the nation a more conſiderable balance in money, ſince it muſt become ſo whenever the price of every

every thing is raiſed one third, and perhaps more than one half.—The *ſacred maxim* therefore has not even common ſenſe, *when applied to the internal trade of the State.*

Thirteenthly, If *France*, who has not the aſſiſtance of paper-money, did actually procure ſo clearly to herſelf an annual balance more conſiderable in money, as ſoon as ſhe had tertiated her revenue, it follows that *England* muſt, really, have experienced a competition much more diſagreeable, from that very circumſtance from which, *according to the maxim*, ſhe had leſs reaſon to fear it; for whilſt the price of commodities was below *par* in *France*, it is clear that having no *national vortex*, ſhe required leſs money for the circulation of a revenue of 100 than for one of 150: it was therefore more to the advantage of *England*, *in ſpite of the maxim*, that the commodities ſhould be at a low price in *France*, than to have them raiſed 50 *per cent.* The *ſacred maxim* then is deſtitute of common ſenſe, *when applied to foreign trade, to the competition abroad.*

Fourteenthly, But if the circumſtance which drove *France* to the neceſſity of acquiring a greater balance in real caſh, ſtood at a very ſmall diſtance

diſtance from another circumſtance by which *England* was compelled to procure one ſtill more conſiderable, for a general re-coining of her guineas; and if *France* and *England* have done each other no material injury in this kind of competition, (this is proved by the fact, ſince both nations have equally and certainly, ever ſince, procured the annual balance which they wanted); may it not be fairly concluded, that *England* has been no loſer, by a revolution in the price of wheat, which enriched *France* by tertiating her revenue, and forced her to receive annually, in caſh, a balance far greater than ſhe did previous to that revolution?

Fifteenthly, Now if *England*, ſince the revolution in the *French* prices, has obtained as much bullion as ſhe wiſhed for, or rather all that which ſhe could lay out on the five articles of her common expenditure, and for the additional circumſtance of a re-coinage, whilſt on the other hand *France* had all her wants ſupplied with the greater eaſe, may it not be inferred that *England* could have gained nothing, even upon the ſuppoſition that the annual ſupply of money, become neceſſary to *France*, had been leſs conſiderable, that is to ſay, even if the *French* commodities had remained in their former ſtate of diſparagement?

Six-

Sixteenthly, If that increaſe of prices in the landed revenue has not been reſtrained to *France*; if it be a fact, as all travellers pretend to have obſerved, that all the other parts of *Europe* have experienced the ſame revolution, the ſame encouragement, the ſame ſucceſs, except the difference produced in ſome places by the ſingularity of certain laws; may it not be concluded, that although *England* has loſt nothing by the revolution, although *France* has proved a gainer by it, other nations have alſo enriched themſelves, namely, one tenth, thoſe where the prices have been advanced a tenth; a ninth, thoſe where the prices have been raiſed one quarter; one half, thoſe where the prices have riſen one half, &c. independently of an increaſe ſtill more eſſential, *viz.* that of the quantity of the productions of the earth, *which always cloſely follows that of their prices.*

Seventeenthly, Were one to reflect, that this increaſe in the prices, in regard to the productions of the earth, is always followed by a ſimilar increaſe with reſpect to the products of induſtry, which thereby receives the ſame encouragement; if, after examination, no one can harbour any doubt of the fact; would it be an eaſy matter, even with the help of the *ſacred maxim*, to

to perſuade any nation, whoſe prices have been doubled, to reduce the nominal of her revenue from 20 to 18, in order to get the advantage in the competition with another nation who, by ſome diſagreeable circumſtances, ſhould have been obliged to raiſe her products from 20 to 22, as *England* is compelled to do? Would not one, on the contrary, conjecture that every wiſe nation will follow the advice of the *American* of *Philadelphia*, *i. e.* that ſhe will not heſitate to raiſe equally her own products from 20 to 22, certain, as ſhe will be by this means, to give freſh encouragement both to her agriculture and her induſtry, and not to hurt in the leaſt the intereſt of the nation whom thoſe diſagreeable circumſtances ſhould have compelled that riſe from 20 to 22; compelled, I ſay, without procuring for her that encouragement which cannot ſpring from ſuch a riſe, *but in as much as it is not neceſſitated by taxes?*

Eighteenthly, Is it not even probable that every wiſe nation will be ſenſible that there is but one way to carry on, without being conſtantly duped, a commerce with another nation, obliged to raiſe the price of her goods; *viz.* to raiſe, in the ſame proportion, thoſe which are given in exchange?—This, ſome will ſay, is an indirect advice

advice which I take upon me to give to induſtry; nothing more uſeleſs, will they add; induſtry in all countries never fails making that calculation.—I do not aſſume the liberty of adviſing induſtry; — Induſtry is far better acquainted, than I am, with her own intereſt: it is to agriculture I preſume to give advice; and this I have an inconteſtable right to do, ſince I myſelf am a cultivator, an *American* cultivator, and that my fortune cannot increaſe, nor even ſtand as it is, but with that of my brethren, the cultivators throughout all *Europe*, whoſe conſumption is as eſſential to me, in regard to ſugars, cottons, coffee, indigo, &c. as mine is eſſential to them, with reſpect to wines, flour, oils, hemp, iron, &c. How is it poſſible to charge them with an advanced price on the goods they purchaſe, without diminiſhing their means of buying, *unleſs they raiſe their own commodities equally with the above goods?*—How can one diminiſh their power of buying, without diminiſhing alſo my reſources for a ſale?—How can one diminiſh my reſources for a ſale, without diminiſhing my means of production? — And how is it poſſible to put a ſtop to the productions of *America*, without cruſhing in the very bud all the *European* productions, *which are to pay for them?*—There is not the leaſt doubt, but

but that, between merchant and merchant, alien or native, there never is any difficulty: nothing more candid than their reſpective conduct; never a word about prices; each fixes his own, and it often happens that a bale of goods has been ſold ten times upon the invoice, and never opened: —But when a merchant, no matter of what nation, ſays to his cuſtomer, no matter of what country; *Engliſh goods have increaſed in price from* 20 *to* 22, *I cannot have them for leſs*; it is eſſential for every land proprietor, from Pole to Pole, to know that he muſt not heſitate to anſwer: *You cannot come down to me, give me leave to get up to you*; or, in other words, *I alſo advance my prices from* 20 *to* 22, *ſo that every thing is in its due order, and the cock of the balance ſtands ſtill in its place.* On this principle, clearly evident and of an irrefragable neceſſity, I maintain that it is *England*, ſucceſſively compelled, as well by her wealth, as by her taxes and monopoly, to increaſe her prices at home,—*England*, trading to all parts of *Europe*, more largely than any other country,—it is *England*, I ſay, who, to this day, has raiſed the prices of every thing all over *Europe*; and I inſiſt, that *England*, once more obliged to carry thoſe prices ſtill higher, once more will compel *Europe* to follow her example, and that all *Europe* will grow

grow richer by her means, (as has been the caſe hitherto) on account of the encouragement which this increaſe will give in all countries, where *England* may think fit to continue or extend her trade on fair and equitable principles.

It is certain, that one cannot, without ſome reflexion, comprehend that chain compoſed of ſo many incoherent, ſo widely diſtant links, that union, that mutual dependance of intereſts, in appearance ſo oppoſite to each other; and that, even with the aſſiſtance of a few *hypotheſes* ſufficient to give an idea of the whole, the only confeſſion ſubſcribed to by the reader, will be, that they imply no palpable contradiction, but that they are nevertheleſs the mere offspring of imagination, and ought to be ranked amongſt non-entities. Yet the two *hypotheſes* of which *Rome* ſeemed to be the ſubject, were no more, if we except the paper-currency, than the type of the revolution which took place in *France* at the time of the regulation I have ſpoken of,—a regulation, which in leſs than two years increaſed the wealth of that nation from 16 to 24, 50 *per cent.*; as if the *French* had been at laſt made ſenſible, that *England* could not work for herſelf without working for them, and that conſequently they had a right to ſay with my *Roman*: England

is

is rich to the amount of 24, *only becauſe ſhe denominates* 24 *that ſame quantity of wheat which our barricadoes and barriers have obliged us to call only* 16 *in our country; the only thing to be done therefore, is to ſet fire to our barricadoes, and break down our barriers, that henceforth the ſame* 16 *may be denominated* 24, *and all at once we ſhall be in fact as rich as* England, *without having been ſo judiciouſly at work.*

Another advantage that would accrue from that uniformity, nearly general, in all prices, if one would lend an helping hand to Nature, after having been convinced of the impoſſibility of reaping any other benefit from the obſtacles thrown in her way, but the ſad advantage of retarding her progreſs;—another advantage, I ſay, that would accrue from that kind of uniformity in prices, which undergoes no alteration, but from the wants and demands, is, that all that monſtrous ſyſtem of prohibitions or equivalent reſtrictions, muſt crumble of itſelf: for, with what face could a national manufacturer ſolicit the means and privilege of making his own countrymen pay 10 *per cent.* dearer for thoſe goods, which another nation tenders to them at 10 *per cent.* cheaper, notwithſtanding the expence of exportation? What reaſons could he urge

when, inſtead of anſwering, a cultivator ſhould riſe in the national council, and aſk, for the exportation of corn, an abſurd premium which would inſtantly enhance its price 25 *per cent.* ?— But the game of imports and exports to which this laſt obſervation alludes, requires to be treated in a ſeparate article which it is not yet time to enter upon; all we have now to do is to think on the means of giving a free circulation to the revenue of all *Europe*, ſuppoſed to be increaſed in the proportion of 20 to 22, on account of the ſame increaſe neceſſary in *England* to pay three millions intereſt, without any one being the poorer for it. I ſhall ſay nothing of the facility of paper-currency, when the inutility of a national robbery ſhall be once generally acknowledged.

Nineteenthly and laſtly, If we are frightened by the neceſſity of a balance in money, every where more conſiderable, in order to circulate every where, a revenue increaſed from 20 to 22, to face the indiſpenſable riſe in the prices of *England*, who trades to all parts of the globe; (when we conſider beſides, that *France* and *England* are by the ſame reaſon obliged to add to their reſpective balance already ſo loaded,) it appears to me, that, after a retroſpective view of what has paſſed, one may readily be convinced,

vinced, that whenever money becomes neceſſary for circulation, wherever nothing more is required to circulate and balance objects really exiſting, and equal to each other, there are always people enough ready to carry money thither; and that this operation, *as all thoſe that are beneficial to ſociety*, is generally effected when it is neither counteracted nor encouraged, *without any one perceiving it*.—Nevertheleſs it muſt be confeſſed, that the pretenſions ſet up by *France*, in regard to a balance, are as terrible, as formidable, as thoſe of *England*, due regard being paid to the difference between the exports of both; I ſhall examine theſe pretenſions as I have done thoſe of *England*, and bring them beſides cloſer to each other, that they may be more properly eſtimated.

The pretended Balance of France *in point of Trade.*

THE Work of Mr. *Necker* on the *French* finances, is in my judgement, for that nation, the moſt precious work that this age has produced; it is a ſword hanging over the head of whoever ſhall fill up that department during the reign of the preſent King, and of all thoſe of his

ſucceſſors whom God ſhall bleſs with a ſoul like his. That work would ſtill be precious, though it ſhould ſerve only to expoſe the knavery or the incapacity of thoſe who pretended that *France*, preparing for a war which required the creation of a navy, without which ſhe could not carry it on, forced to have recourſe to new loans proportionate to ſuch an undertaking, and weighed down, as it was ſaid, by the load of the old taxes impoſed for diſcharging the intereſt of her former debts, was again on the eve of laying new impoſts, in ſpite of herſelf, and perhaps of having recourſe to thoſe degrading reductions, ſo lightly, yet ſo often practiſed before. The firſt public operation of Mr. *Necker* (his *Compte rendu*) inſpired every one with the enthuſiaſtic ſpirit of an unbounded confidence, wherever nothing was foreſeen but the diſcouragement ariſing from diſcredit. He did not create any thing, it is true; but he diſpelled the clouds which had hitherto concealed what really exiſted; he reſtored order where confuſion reigned before, and treated the mechanical part of the finances, like a merchant willing at all times to have it in his power to compare his undertakings with his means, his plans with his reſources. No other ſtep could be taken at firſt. I have no kind of connexion with Mr. *Necker*, neither direct nor indirect; nor

nor am I bound to him by the ties of friendſhip, intereſt, or gratitude; and, beſides, it is not my intention either to praiſe, or to cenſure; yet I cannot forbear to obſerve, that Mr. *Necker*, entirely circumſcribed by the circumſtances of the time, charged with the triple load of clearing up what was paſſed, ſupplying preſent wants, and guarding againſt future events, could only looſely ſurvey, regret, and prepare, what a ſituation ſo critical did not permit him to undertake. His being diſplaced, left him no other advantage than that of informing the public of what he intended to do; and the manner in which the nation has received the work wherein he recorded his projects, is at the ſame time a tribute of the national eſteem for the man who planned them, and a pledge of the national gratitude, even for any one of his ſucceſſors, who ſhould confine himſelf to carry them into execution.

Whatever I have hitherto ſaid, whatever may drop from my pen in the ſequel, in contradiction to ſome of Mr. *Necker*'s opinions, was written long before the publication of his work, and in no degree detracts from the ſolidity of his views. What he deviſed was perhaps the beſt that could poſſibly be imagined in the actual ſtate of things, and according to the received

ſyſtem:—But is that ſyſtem the beſt?—I ſubſcribe to his principle concerning the precautions to be taken, and the ſlowneſs of the march neceſſary even through all the paths that may lead to *the beſt*; but that beſt, what is it? *France* cannot boaſt of having found it—read the work of Mr. *Necker*; *England* cannot boaſt of having found it—read the debates of both Houſes of Parliament:—And do I dare to offer my thoughts!—Yes:—two children, it is ſaid, found what it was neceſſary to find, in order to the diſcovery of immenſe bodies of light, at a diſtance where nothing was ſuſpected but the limits of creation.—Were my thoughts only plauſible, they ought to be thoroughly inveſtigated; they concern the State, they concern mankind at large:—if they prove juſt, to ſay that they are impracticable on account of the ſhackles with which our forefathers have loaded us, is to ſay nothing but with regard to the fleeting moment in which I ſpeak, *already ſo far off from us*; but to feel then that we ſhould not add new ſhackles to thoſe we endure already, would be a great point gained; to ſcrutiniſe afterwards the ancient opinions, without exception; to analyſe the principles on which pretended impoſſibilities are founded; to expect nothing from ſeduction or from authority; to deſire nothing but from general conviction;

viction; to ſpare no pains to make the people ſenſible of, and familiar with the truths that might be diſcovered, would perhaps be a ſecond ſtep towards that very mark to which we ſhould probably direct our courſe, were it not for the pretended impoſſibility, the mere ſuppoſition of which caſts a ridicule upon the very thought of looking up to it.

It is upon this plan, and under this point of view, that I purpoſe to examine the ſuppoſed balance of *France*, in regard to trade:—and I begin by aſking, whether there exiſts a nation in *Europe*, which, upon peruſing what Mr. *Necker* ſays to the preſent purpoſe, and the uſe made almoſt generally in *England* of the work of Sir *Charles Whitworth*, much more explicit with regard to the balance of *Great Britain*, would heſitate an inſtant to break off all commercial connexions with *England* and *France*, if only one half ſhould prove real in the prejudices of the two nations, on the object which at preſent ſeems to determine all the others?

I would, in the next place, propoſe, for examination, whether thoſe two nations are not indebted to theſe prejudices, for the greateſt part of their miſtakes, and of the obſtacles which they

have found, which they ſtill find, and which they will ever find, in the meaſures that other nations think themſelves obliged to adopt, in order to guard againſt the effects of thoſe prejudices, till their fallacy is univerſally acknowledged, as well as their inſufficiency to produce their boaſted effect, *even in favour of thoſe who would obſtinately refuſe to give them up.*

Every year, ſay the prejudices of both nations, more than ſeven millions ſterling are required for their two *terrible* balances;—but not above ſix millions are brought over from *America*:——if *Spain* and *Portugal* be allowed to come in for one ſixth (indeed it would be but juſt), the other parts of *Europe* muſt ſettle it amongſt themſelves to find the two millions ſterling, which without that aſſeſſment would be deficient in the balances neceſſary to *France* and *England*.—Whence does *Europe* take thoſe two millions? Whence have they been taken hitherto? I know not: but it is a ſtubborn fact: you may conſult the work of Mr. *Necker* for the balance of *France*, and for that of *England* the ſtatements of Sir *Charles Whitworth*; the former amounts annually to 70 millions of *livres*, about 3 millions ſterling; and the latter to 83,678,818*l.* in the ſpace of 20 years, from 1754 to 1773; it is, one year with

with another, more than 4,180,000*l. per annum.* But above all, let it not eſcape your obſervation, what is ſaid in *France*, that the decline of that Empire will begin, when this balance of 70 millions of *livres* ſhall begin to decline, and that it is the opinion in *England*, that, were the *favourable balance* to be below 2 or 3 millions ſterling, a national bankruptcy muſt indiſpenſably follow. What is moſt *miraculous* (and indeed conſolatory for thoſe who are obliged to think of their elevation, before they dream of a bankruptcy, or even of their decline) is, that whilſt *France* and *England* have received annually, the one 4, the other 3 millions ſterling, that is to ſay, one ſixth more than *America* has to ſhare amongſt all the *European* nations, the other countries in *Europe* have nevertheleſs increaſed their maſs of money, by all that was neceſſary to keep up their luxury, and the circulation of a revenue which has almoſt doubled in the courſe of a century. Theſe are prodigies which will ceaſe to be ſo, even if we admit the facts on which they are founded, if we take the trouble of adding thereto a few other facts rather leſs queſtionable; and if it be acknowledged at laſt, that there are yet others, concerning which the moſt expert calculator cannot flatter himſelf that he ſhall even come near the truth, and which give

to

to thoſe who will be at the trouble of reflecting, all the latitude they may want, to conclude that the two ſuppoſed balances are as inadmiſſible when ſubjected to the diſcuſſion of reaſon alone, as they are afterwards demonſtrated to be falſe, by facts which cannot be controverted.

The quantity of money required for circulation, depends neither on the ſpeculations of a Miniſter of finances, nor on the blind cupidity of trade, which, luckily, is always counteracted by the clear-ſighted cupidity of every trader: it depends on the quantity of articles to be circulated, on their price, and on the method adopted for circulation:—it is evident that leſs caſh is required in *England* than in *France* to circulate the ſame maſs of revenue, trade, and tranſactions of all kinds; the reaſons are obvious: but the ſum wanted for the circulation being once found, every addition thereto is ſoon, notwithſtanding all miniſterial machinations, transferred to ſome hundred leagues diſtance, if that ſurplus ſhould be wanted there: now, when this neceſſary ſum for circulation is once aſcertained, we ſhall ſee how uſeleſs it is to deſpoil, how abſurd it is to ſuppoſe that they do deſpoil the reſt of *Europe* of her money, in order to keep up that circulation.

What

What is the real amount of the caſh circulating in *England?* Some ſay 25, others 30 millions ſterling. It is probable that 25 millions are ſufficient, with the help of credit and paper-currency, even in the ſuppoſition that *France* ſhould ſtand in want of 2 *milliards* of *livres* in hard caſh to give circulation to a revenue, double to that of *England*, becauſe there is in *France* no paper-money, and much leſs credit than would be obtained, were it not, *too often yet*, ſo eaſy to avoid, by another kind of credit, the payment of the moſt lawful debts: but we muſt argue from an incontrovertible fact, and aſſent, in their fulleſt ſcope, to the conſequences that may be deduced therefrom. The following is the fact:

Of all the coin circulating in *England*, 18 months ago there was only a ſixth, and there is now much leſs than a ſixth part, in pieces ſtruck before the preſent reign. Now, in 1780, it appears that the money coined at the Mint, in the preſent reign, amounted only to 30,457,805 *l.*

It is impoſſible to ſuppoſe, that in the ſpace of 18 years there ſhould have been carried out of the kingdom, either to *Ireland*, or in ſupport of the ſmuggling trade, or for other purpoſes, leſs than

than the amount of the coin ſtruck ſince that period. Let us add to the 30 millions coined from the beginning of this reign down to the year 1780, the 5 millions for the ſixth part in old ſpecie remaining of the former reigns (that ſixth ſuppoſed, rather than acknowledged, to be actually in circulation), the total will be 35 millions; to which muſt be added, the value of ſilver plate, toys, &c. Admit, that all theſe articles together, circulation and ſilver wrought, amount to 50 millions ſterling;—to thoſe who may think that the ſum of 15 millions, at which I rate the wrought ſilver of all kinds, is too trifling, I would recommend to obſerve, firſt, that theſe 15 millions conſtitute nearly the tenth part of the general revenue, both of the land and induſtry; ſecondly, that the third part of that revenue belongs to the peaſants and mechanics, who have no ſuch coſtly furniture; and thirdly, that as to the reſt of the nation, if there exiſt a man who poſſeſſes the equivalent of one half of his revenue in plate, there are ſcores who are not poſſeſſed of ſo much as one tenth part.—Shall it be inſiſted upon, however, that, by adding the amount of plate and the maſs in circulation to that which *muſt* correſpond with the demands that may be made upon the Bank, the whole amounts to 60 millions ſterling?—Be it ſo;—

but

but *England* was certainly in poſſeſſion of 20 millions at leaſt, in caſh and wrought ſilver, before the time at which Sir *Charles Whitworth* began his Statements; for there exiſted then much leſs credit, and no paper to anſwer the purpoſes of caſh:—forty millions, then, conſtitute the whole of what *England* choſe (I call it ſtrictly a choice) to reſerve, out of ſo many millions imported from *America*, which really went through her hands, in the ſpace of 90 years.—I am fully perſuaded that I could meet with ſome thouſands of perſons, even in *England*, who, from the ſketch I have given, would think that I make a preſent to *England* of 10 millions. It matters not, I ſhall be equally generous in regard to *France*, whoſe accounts I am about to lay open; and yet I ſhall have gold and ſilver enough leſt to extend my liberality all over *Europe*.

Mr. *Necker* has but two reaſons to ſuppoſe that there exiſts in the *French* circulation a ſum of 2,200,000,000 livres *tournois*. The firſt is the indubitable fact, that ſince, and including the general re-coining of the *French* ſpecie in 1726 to 1783, there have been ſtruck, in the different mints of that kingdom, 2,500,000,000 of the ſame ſpecie (the only one that is current in that country:)

country:) and, in the next place, the very queſtionable fact, that *France* has preſerved the whole, except 3 or 400 millions *tournois*, which may have paſſed into foreign hands, from the quantity of *French* ſpecie which muſt have been carried abroad, to anſwer her commercial and political purpoſes.

Say only 2000 millions of livres in the *French* circulation, that I may not be troubled with 100 millions, which can neither weaken nor ſtrengthen my reaſonings.

When that general re-coinage of the year 1726 took place in *France*, there muſt have exiſted, at that time, 1000 millions *tournois*, to impart a proper circulation to a revenue, which, we may ſuppoſe, was leſs by one half than what it is at this time. *France*, therefore, had occaſion to increaſe her ſpecie, only by the additional thouſand of millions, of which ſhe is now in poſſeſſion, even upon a ſuppoſition that ſhe has now 2000 millions; and this want has been ſupplied in the ſpace of 57 years, at the rate of 18 millions only, one year with another.

Let it be granted, now, that the annual wants, the perſonal wants of *France*, in articles of luxury, plate,

plate, gold and ſilver lace, trinkets, &c. amounted to 7 millions *tournois*, upon an average, in the courſe of the above 57 years.—By adding thereto the 18 millions I have ſpoken of, I can find but 25 millions overplus, one year with another, ſaved by *France* upon all the treaſures of *America*, which certainly muſt have paſſed through her hands from 1726 to 1783.

The reader muſt be ſenſible, that there is no occaſion to ſpeak of the ſums annually exported to *India*, it matters not by whom; they no longer exiſt for *Europe*; and I have proved nothing hitherto, if it be ſtill doubted that *Europe* has loſt nothing in that reſpect but the trifling advance in her prices, which 100 or 150 thouſand pounds ſterling, added annually to her general ſpecie, would have given to all the productions, both of agriculture and induſtry. The return of thoſe 150,000*l.* in *India* goods has produced yearly to *Europe* all the labour neceſſary to repay them; for it muſt be obſerved, that *labour pays every thing*, and that nothing is paid but by *labour*. The 150,000*l.* exported to *India*, are not loſt therefore, as to their eſſential effect, as would be the caſe of ſums laid up in the coffers of a Sovereign, who might be unacquainted, even at this day, with what was known to Queen *Elizabeth* above

200 years ago, that *the Prince's treaſures are well placed no where, but in the hands of his ſubjects*, that is, of *ſuch* amongſt his ſubjects *who do not lock them up in their own cheſts*.

I join together the two balances of *France* and *England*, which probably fall much below, and which cannot be above, what I have ſtated them to be; and I ſee that thoſe two formidable bugbears, after having annually devoured, according to their own account, 7 millions ſterling, have, in the end, and very fortunately too, only digeſted ſomething leſs than 2 millions, viz. the bugbear of *France*, 1 2 or 1 300 thouſand pounds ſterling; and the bugbear of *England*, about 5, 6, or 700 thouſand.

Thank Heaven then, there remains, after *England* and *France* have been fully ſaturated, (including the general exportation to *India*) about 4 millions ſterling, which the other States of *Europe* have received, one year with another, partly in plate, partly in gold and ſilver-lace, partly in ingots, partly in guineas, and partly in louis-d'ors, of which thoſe who gave them ſtill think themſelves in poſſeſſion, and which thoſe who received them do not think they poſſeſs.

But,

But, it will be ſaid, the louis d'ors, which are ſpent in *Germany* during a war, revert to *France* ſoon after a peace; the plenty in which they flow back, is known to every one who has the leaſt concern in trade.—No doubt of it; when the *German* circulation is overloaded, it muſt re-flow where it is beneath its level: the coin carried by the *French* into *Germany*, in the time of war, was then indiſpenſable there to ſupply the wants of thoſe who carried the money into that country, and to increaſe the means of the ordinary circulation, *an increaſe occaſioned by a circumſtance that tertiated the price of every thing*. The circumſtance ſubſiding, every thing takes its uſual courſe; prices are reduced; the greateſt part of the money which had been carried there, becomes uſeleſs on account of that reduction:—it is ſent back; and why is it taken then by *France?* Becauſe it is become neceſſary there;—for you muſt obſerve, that the money in queſtion was uſeleſs in *France*, as ſoon as it was wanted in *Germany*.—During the war the commerce of *France* was at a ſtand; her granaries overſtocked with corn, her cellars with wine, her warehouſes with goods, waited only for peace, to ſet a value on that corn, that wine, thoſe goods, and of courſe, on that idol Money, which, during the war, could not, in regard to the *French*, be of any

value, but on the very ſpot where the *French* had themſelves carried it.

Obſerve, above all, that *England*, who pretends to have the largeſt balance in money, is the very nation who, with reſpect to the extenſiveneſs of her commerce and the maſs of her induſtry, keeps the leaſt part of that balance at home, and conſtantly preſerves as little of it, as if ſhe had been no leſs convinced than I am myſelf, of the futility of any other balance in bullion, but that which is neceſſary for the five articles above mentioned. What reſults now from the reduction of thoſe two frightful *coloſſi* to their proper dimenſions?

It reſults, Firſt, that every ſyſtem of balance, founded on the ſuppoſition which ſerved as a baſis to the two balances I have ſpoken of, is as chimerical, as it would be pernicious to the nation who ſhould regulate herſelf by it, and to ſuch other nations as might be unfortunate enough to correſpond with her:

Secondly, That the private intereſt of every merchant always militates, in this reſpect, againſt the pernicious dreams of trade in general:

Thirdly,

Thirdly, That the caſe between nation and nation trading together, is ſimilar to that which ſubſiſts between citizen and citizen; as there is but one way for a man to prevent the laſt penny of his wealth from being uſeful to ſome other member of his community; and that way is, *to bury under ground (as ſoon as he has received it) that laſt penny, the utility of which he grudges to ſhare with other men:* in like manner, a nation can no otherwiſe prevent the ſurplus of her money being carried into another country when this latter is in want of it, than *by burying her balance as ſoon as ſhe has received it:*

Fourthly, That the ſuperiority of induſtry, activity, and *capitals*, in a nation, gives her no other advantage, than that of ſupplying thoſe countries with which ſhe trades, with further means of increaſing their own induſtry and activity: Now,

Fifthly, The more you increaſe induſtry and activity amongſt other nations, the more you increaſe their want of thoſe ſigns which are to repreſent the products; the more you increaſe their want of thoſe ſigns which you long to poſſeſs excluſively, if it were poſſible: Therefore,

Sixthly, If it be true, that money ought to be the only aim of commerce and exportation, all

the favourite ideas on the pretended balance, being entirely deſtroyed by facts, even at the time when the world was more fully perſuaded of the truth of thoſe ideas, and of the wiſdom of the meaſures which were to have perpetuated that balance, it would be neceſſary henceforth to reſolve to hide money under ground, as faſt as it comes in. — Would it not be better to queſtion the principle itſelf, and ſeek for freſh information on the utility as well as the object of exportation?

Exportations and Importations conſidered as a Game. Such a Game is as rational as any other, to whoſoever will content himſelf with playing at Cards, or with his own Thoughts.

A WORLD of unanſwerable arguments ſtart up at once, tending to demonſtrate the ſuperiority of civilization over the wild ſtate of nature. Yet, methinks, a ſavage may overturn them all by theſe few words: *I know nothing of what you ſay, and I am not inquiſitive.*—I readily confeſs at leaſt, that I do not ſee what reply can be made to ſuch an anſwer, more than I did with regard to the four queſtions put in the Upper Houſe to the manufacturer of whom I have ſpoken; yet this manufacturer was not ſtronger in argument on all that was foreign to the eſſential point of the four queſtions,

queſtions, than I might be to convince my ſavage of that delight, which a man fully perſuaded of the excellence of his own conceits, and of the happineſs there is in making them known to all the world, feels, without allay, without interruption, in ſtaining ſome reams of paper, ſcribbling ſometimes an hypotheſis, ſometimes a comedy, a romance, a ballad, &c.; for it is very true, that the work I now lay before the public, has, in the ſpace of 12 or 15 years, undergone all thoſe metamorphoſes in my hands, and that during that time my heart rankled with the ambition of being read in antichambers, given for premiums in colleges, tolerated in nunneries, mentioned in the *boudoirs* of the fair, noticed in the memory of Miniſters, revolved in the hearts of Sovereigns, and every day ſung about the ſtreets and in cottages, through which all princes muſt ſometimes paſs, if they wiſh to diſcover ſome deciſive difference between the intereſting illuſions of humanity and the deep ſpeculations of politics. Yet with all that ſtock of words, if not of reaſons, that I muſt have acquired beforehand, to juſtify, in ſome meaſure, the extravagance of ſuch an ambition, I own that I ſhould be confounded by the anſwer of my ſavage.—But this could not be the caſe, if a civiliſed man, after having convinced me, that the advantage

of commerce between man and man, as well as between nation and nation, conſiſts in ſupplying each other's wants, when it is poſſible to effect it by an exchange of ſurpluſſes, would next undertake to prove to me, that the advantage of a State, which is nothing elſe but a nation, an aggregation of men, conſiſts in keeping as much as poſſible of that money which they have in too great abundance, though the inevitable conſequence would be, that they would procure to themſelves ſo much leſs of ſome article in which they might be deficient, but which it would at the ſame time be very convenient to them to poſſeſs.—It is hard that the compendium of prohibitions, reſtrictions, &c. ſo much commended, and which have kept ſo many great men ſo long on the watch, dwindles finally into the aſſertion of the two contradictory propoſitions which I have juſt now ſtated.

Two articles are neceſſary and ſufficient to man—bread and water; let not meat be called in as a third; it is too well known, that three fourths of *Europe* ſeldom eat any, and doubtleſs no one will contend that three fourths of a whole are leſs valuable than the fourth remaining, in the eyes of Him who created that whole, and who probably takes ſome concern in its preſervation. Exchanges of any other articles beſides

beſides bread and water, are therefore, ſtrictly ſpeaking, *exchanges of mere ſuperfluities*. Now, what inconvenience can there be in bartering one ſuperfluity againſt another?

I ſhall firſt of all, diſplay in their full force, the moſt ſolid reaſonings that can poſſibly be adduced, in order to demonſtrate, that *the choice and price of all ſuperfluities muſt be left to the diſcretion of one ſet of men only*. The chymiſt is not to blame if he can extract nothing but a fetid oil from the matter which he undertakes to decompound.

That ſet of men, as eſtimable, as worthy as any in the world, will perhaps wonder when they ſee the analyſis of thoſe ideas, which, probably, they never ſubmitted but to a ſuperficial examination.

Prohibitory Laws againſt Exportation.

Query. WHY do you ſolicit a prohibitory law againſt the exporting of ſuch an article of national product?

Anſwer. That I may get it *cheaper*.

Q. Can you buy it *cheaper*, without wronging the man who might ſell it *dearer*?

A. No.

Q. As it is impoſſible to prove that ſuch a conduct is equitable, how will you be able to prove it to be advantageous to the State?

A. It is advantageous to the State, that all its internal productions ſhould receive at home, all ſuch forms and preparations as may increaſe their value.

Q. Is the quantity of productions uſeful to the State?

A. The queſtion is almoſt ridiculous.

Q. If the *producer* be diſcouraged by the low price ſet upon his productions, and take proper meaſures to produce *leſs*, in order to ſave the expence attending a *greater* production, and in the mean time to gain by producing *leſs* as much as he could gain by producing *more*, will you not then be guilty of having wronged the State of all the productions which you cruſh in the very bud, by the prohibition you ſue for?

A. No; Smuggling will give to the parties injured by the prohibitory law, a fully ſufficient means of extricating themſelves.

Q. Your hopes then are, that Smuggling will make up for the injuries you propoſe to do to the *producers*; but how will you compenſate to the State

State for the loſs it ſuſtains by a clandeſtine exportation?

A. Our only buſineſs is to mind our own intereſt; beſides, the State may eaſily procure, by means of a land-tax, what it may loſe by the clandeſtine exportation: and we are ſo far from expecting that Smuggling ſhould turn out to our advantage, that we petition it may be made a capital offence, and prohibited under pain of mutilation, the galleys, or at leaſt the entire ruin of the ſmuggler.

Q. But the law will either ſucceed, or fail in its effect. If the law ſucceed, will you not be the author of that diminution of the products, which the low price you intend to ſet upon thoſe products muſt unavoidably occaſion? And if the law fail in its effect, do you not uſeleſsly deprive the State, 1ſt, of the produce of the ſmuggler's labour, whom you hope to ſee hanged, or at beſt, mutilated; and, 2dly, of the produce of that labour which would have been performed by that army, partly compoſed of rogues, partly of idle fellows, now to be ſet upon the watch to detect and apprehend the ſmuggler, keep him in cloſe confinement, and lead him finally to the *gallows*, or to the *galleys?*—Who is to pay thoſe rogues and idle fellows?

A. The State, to be ſure.

Q. What

Q. What are the eſſential parts of the State?

A. Induſtry that goes in ſearch of money, and Agriculture in as much as ſhe feeds Induſtry *at the cheapeſt rate.*

Agriculture, impoveriſhed by your prohibitory law, will then loſe, not only what ſhe ſhould get by being at liberty to export, but alſo what ſhe muſt find to aſſiſt you in procuring her impoveriſhment, by paying the land-tax neceſſary to pay thoſe very rogues and idle fellows, whoſe buſineſs it is to deſtroy her only remaining reſource againſt your cupidity—— SMUGGLING.

Prohibitory Laws againſt, or exceſſive Duties impoſed upon Importation.

Q. Why do you petition againſt the liberty of importing ſuch or ſuch another article?

A. Becauſe we manufacture it, and wiſh to ſell it dearer to the national conſumers.

Q. Of how many orders of men is the claſs of national conſumers compoſed?

A. Of

A. Of two, the land proprietor, and all perſons not wholly deſtitute of money.

Q. That is to ſay, *in all caſes*, of the whole kingdom, againſt the ſmall number of individuals who humbly petition for the prohibition of an article;—be it ſo. Have you deviſed any means to increaſe in the conſumer the ability of purchaſing, whilſt you advance the price of your goods?

A. Not we;—on the contrary, it is our intention to have as much as we can of his commodities and money, for as little of our goods as poſſible.

Q. How can men of probity and knowledge be blind to the iniquity of ſuch a ſcheme?—Will not at leaſt its execution be ſomewhat impeded by the greateſt part of thoſe who follow the ſame trade?

A. No—that is impoſſible: our *corporations* have already provided againſt the inconvenience you allude to: not one of their members would dare to ſell his merchandiſe below the price fixed by his *corporation:* and we have made, as it were, the *impoſſibility* of any ſuch meaſure, *doubly* ſo, by the difficulties we have deviſed to prevent

prevent a ready admittance into our *corporations*; all our bye-laws tend to reduce our aſſociates to the ſmalleſt number poſſible. But one ſingle expedient is now wanted to put the finiſhing hand to that grand work; it is the abſolute prohibition of importing all thoſe commodities which foreign nations might offer at a cheaper rate, than we are determined to ſell them at.

Q. So then, if you ſucceed in your plan—if by means of the ſolicited prohibition, the legiſlature enable you to extort, with your 16 in merchandiſe, the goods and money, which, in the caſe of a foreign competition, you could not have procured with leſs than 20, what do you intend to do with the remaining part of what you ſhall have extorted?

A. We ſhall ſend it abroad.

Q. With what view?

A. Of increaſing the balance in money.

Q. Have you hitherto acted conſiſtently with that idea?

A. We have—and it is known to all the world that it is the deareſt idea of an *Engliſhman*—an idea which the nation holds (if properly attended to)

to) as the only bulwark againſt a national bankruptcy.

Q. What have you got by that idea, if it be probable that there is not above 25 or 30 millions in ſpecie within the kingdom, and if it be proved evidently that it is impoſſible you ſhould have more than 35?

A. The reaſon is, no doubt, that foreign importation has been too freely permitted; a criminal, a traiterous indulgence which we are inceſſantly at work to remove: and it is on that account, that beſides the abſolute prohibition we now pray for in regard to ſuch and ſuch articles, we alſo petition that the duties be laid double and treble on all other foreign articles which are not yet totally prohibited.

Q. Do you not fear that foreigners, whoſe merchandiſe you would cauſe to be prohibited, ſhould play the ſame trick with yours? Do you not fear that thoſe on whoſe goods you mean to increaſe the duties, ſhould in their turn overload thoſe which they will receive from you?—For this is all the conjuration requiſite to counteract and balance the effect of thoſe ſublime regulations which you petition for.

A. We

A. We ſhall carry on a ſmuggling trade in their country, and they will pay dearer for our goods; they cannot do without them.

Q. They will, no doubt, follow your example: therefore new recruits will be wanted for that army of rogues and idlers, deſigned to lay hold of, and ruin whoever ſhould dare to oppoſe your ranſoming the owners of lands, and proprietors of ſome money; but be it ſo:—you will beſides be equally ſucceſsful in obliging the poor ranſomed individuals, to pay for the additional and neceſſary reinforcement of your ſtanding army of rogues and idlers, and for thoſe light troops of informers ſo well fitted for the noble purpoſe you are carrying on;—be it ſo again.—But, after all, what are you to do with that immenſe balance in money?—Shall you bury it under ground?

A. Aye—and with all our hearts and ſouls, if, when thus buried, it could bring to us the ſame benefit as when it is rendered uſeful to ſome one elſe; but alas! that ſecret is not yet found out: it might be poſſible, however, to pray for an Act of Parliament, compelling the nation to pay the intereſt of all the ſums thus interred by us; and the wiſdom of ſuch an Act would be the more conſpicuous, as it would keep within the reach,

reach, under the very hand of the nation, all the money ſhe might have occaſion for, whenever ſhe ſhould think it expedient to declare war againſt *France, our natural enemy*. Till ſuch an Act is framed, we ſhall follow the example of *Holland*; we ſhall keep on the carrying trade, by which the *Dutch* have gained ſo much money notwithſtanding our Navigation Act, which we fondly hoped was calculated to effect their ruin: we ſhall carry from *Ruſſia* to *Sicily*, from *Conſtantinople* to *Poland*, from *Stockholm* to *Cadiz*, from *Liſbon* to *Venice*, whatever may be carried from one place to the other, and this we ſhall do at the loweſt prices, in order to get the preference of the *Dutch*. It is a great pity that this cannot be effected without benefiting the land-owners, and the proprietors of ſome money, in all the countries where we may ſtand in competition for that carrying trade, not only with the *Dutch*, but with all the national monopoliſts who ſhall not have as yet been dexterous enough to force from their legiſlature, laws as *favourable to commerce* as thoſe we have obtained; but in fact, what matters it to us whom we ſerve, provided we get a good profit from the ſervice?

Q. Will you add further: *And provided alſo that the ſervice done, falls not on the land-owner, or on the*

the proprietor of ſome money within your nation ?—Yet thus far would you finally be led by that ſyſtem of prohibitions and reſtrictions, almoſt equally extravagant, to which you are ſo devoutly attached.—But ſuch a plan can ſucceed only to a certain degree: be pleaſed to obſerve, that hitherto you can boaſt of no other advantage but that of the firſt attack.—Sole and abſolute arbiters as you are of your own prices by the monopoly you have obtained, if agriculture had not advanced thoſe of her products in the ſame proportion, would not your land-owners be compelled to ſeek abroad for a country where monopoly ſhould not be ſo obligingly countenanced ? For you do not, I preſume, flatter yourſelves that you ſhall be able to induce your Parliament, in the age we live in, doubly to tax the property of thoſe who might look abroad for a remedy againſt your extortions : —the many laws of that kind conſigned to your annals, (and which you would not fail to quote as a precedent,) muſt ſeek in the ignorance and barbarity of the age that gave them birth, an apology for their eſtabliſhment; but at this preſent time!—Such ſhades in the picture of the Land of Liberty, inſtead of ſetting off the beauties of its other parts, would annihilate the very idea of that liberty. *It is by juſtice and freedom that we are attracted and retained; it is by injuſtice and reſtraint*

reſtraint that we are expelled, and kept at a diſtance. Be pleaſed then, in fine, to obſerve that nothing can reſult from thoſe plans, the iniquity of which you have no more ſearched into than you have thoroughly examined their conſequences,—from thoſe prohibitions and reſtrictions, the effects of which muſt be counterbalanced by contradictory regulations, — except the pitiful advantage of having perverted the nature of the prices on every article. *What is neceſſary to counteract the effect of an injury done to the generality, will always mechanically be brought about by that very generality.* Would it not be more advantageous for men, to agree amongſt themſelves, like intelligent beings, on ſome plans accounted equitable by all,—on plans the analyſis of which the projector might bear without a bluſh ?—Were a few points agreed upon, it would not perhaps be difficult to ſettle all the others.

Let the dead bodies be wrapped up in woollen inſtead of linen cloth; linen coming from abroad, wool being a ſtaple commodity, and the dead caring little whether their winding-ſheet be made of woollen or linen: it is a point of economy which it would be rather too ſevere to condemn, although it is probable enough that in the North they would exchange with pleaſure,

for your *buried woollen*, linen cloth in ſufficient quantity to wrap up your dead; a circumſtance which might prove very beneficial to ſome of the living, both in *England* and *Sileſia*. But will you attempt to perſuade, that it is advantageous to the State, under any aſpect, to compel a man who calls himſelf free, to wear manufactured buttons, when his inclination would lead him to have them made of remnants of ſtuff? Will you attempt to perſuade, that it is advantageous to the State, to make him pay a penalty of 3 or 4 pounds, beſides coſt, if he is ſurpriſed *flagrante delicto?* Will you attempt to perſuade, that it is advantageous to the State, to encourage the infamous trade of informing, by a reward in favour of an informer, againſt a man guilty of *ſuch a crime?* Will you attempt to perſuade, that it is advantageous to the State, to withdraw from their uſeful occupations a ſwarm of fellows, *become capable of any dirty work*, by having turned informers on account of the ſtipulated recompenſe, and who, waiting for an opportunity of doing worſe, leave their work-ſhops as ſoon as ſuch a law is paſſed, in ſearch of a prey the ſeiſure of which will enable them to live in riot and intoxication for a whole week together, without being obliged to return to their work? This is not all; for, in fine, if all the branches of induſtry

duſtry have the ſame right to the protection of Government, does not a law, the immediate effect of which is to enhance the price of buttons by occaſioning a greater demand for that article, deſtroy all idea of that protection equally due to the other branches of induſtry, by infallibly depriving ſome of them, both of the amount of the caſh they might have received from thoſe who will now be forced, againſt their inclination, to purchaſe manufactured buttons, and of the amount of caſh which the advanced price of manufactured buttons, will unjuſtly wreſt from thoſe who, by the effect of the law, are obliged to pay dearer for what they might have procured at a cheaper rate? Would not the leaſt facility granted for the importation of ſome foreign merchandiſe, have occaſioned abroad a greater conſumption, either of buttons, or of ſome other *Engliſh* goods, than ſuch a law can procure at home in the manufactory unjuſtly favoured? But, above all, will you attempt to perſuade, that it is advantageous for the State, to acquire a thouſand more button-makers, when that acquiſition is obtained by the loſs of a thouſand artificers employed in manufacturing ſome other articles, the conſumption of which would have been *free*, that is, analogous to the ſituation of thoſe who boaſt of their being ſo?

Let us ſeek for ſuch points, as it may be poſſible to agree upon.

The State is compoſed of three orders of men, all equally precious, and whoſe rights are equally ſacred; *viz.* the landed *capitaliſt*, the *capitaliſt* of induſtry, and the proprietor of money, whether he be conſidered as a *capitaliſt* in this laſt reſpect, or only as a dependent on either of the two former *capitaliſts*. Each of theſe three orders has its intereſt.

Firſt, It is the higheſt intereſt of the landed *capitaliſt*, that there be the greateſt plenty and variety of the beſt products of induſtry, and the greateſt conſumption of the productions of the earth.

Secondly, It is the higheſt intereſt of the *capitaliſt* of induſtry, that there be the greateſt plenty and variety of the beſt productions of the earth, and the greateſt conſumption of the products of induſtry.

Thirdly, It is the higheſt intereſt of the money proprietor, that there be the largeſt quantity and variety of the beſt products both of induſtry and agriculture, in order that he may be able

to

to ſupport the value of his capital by the quantity of objects on which he will have it in his power to lay it out, and the value of his intereſt by the greateſt poſſible conſumption, not at the loweſt price, which, ſuppoſed laſting, is as chimerical as the pretended balance, *conſtantly favourable*, but at the moſt equitable rate, that is to ſay, the higheſt the ſeller can hope for, and the loweſt to which the purchaſer can pretend.

But if it be true, that the combined intereſt of the three orders be centered within the three points I have ſtated, namely, the greateſt poſſible quantity and variety of the beſt productions of the earth, the greateſt quantity and variety of the beſt products of induſtry, and the greateſt as well as moſt unconfined conſumption of both at an equitable price; it is equally true, that it muſt be a matter of perfect indifference to agriculture, in what part of the world, and by whom her productions are conſumed, provided they be paid to her in any products whatever, at her option equivalent to thoſe ſhe has parted with. It is no leſs true, that it is a matter of perfect indifference to induſtry, in what part of the world, and by whom, her products are conſumed, provided ſhe be paid for them in any products whatever, at her option, equivalent

to thoſe ſhe gives. It is equally true, that the money-proprietor muſt view, with the ſame indifference, his property giving life to this or that branch of induſtry or agriculture, provided, that in the hour of need or fancy, he finds at hand, on the moſt equitable terms, the greateſt quantity and variety of the beſt products of agriculture and induſtry, which the intereſt of his money, or the amount of the ſalaries he enjoys, gives him A RIGHT to expect.

There remains, it is true, a fourth intereſt, that of the *Fiſc*, or public revenue; but if this revenue be nothing more than the produce of the taxes, this fourth intereſt conſiſts of courſe, as the three former, in the largeſt quantity of products, and the greateſt conſumption. Now are there any other means to obtain thoſe two objects, beſides the freeſt and moſt extenſive exchange, not of goods for money, but of goods for goods? Is it not perceivable, that all the four intereſts united, as well as each of them ſeparately, require that no more be imported in bullion or money than the quantity neceſſary to facilitate thoſe exchanges? Is not a ſurplus of money not only uſeleſs, but even detrimental, in diminiſhing our enjoyments, our poſſible profits, and *that conſumption which produces the public revenue?*

The

The Navigation Act was, if you will have it ſo, the laſt effort of the human mind, at a time when every notion relative to commerce, was nearly confined to *England* alone; but I queſtion much whether the *Oppoſition* the moſt warm in invoking that tutelary God, againſt the Miniſter who dares to offer the leaſt encroachment upon its worſhip, would not be very much pleaſed to ſee it deſtroyed before they themſelves ſhould come into office: it is an old idol, to which incenſe is offered through mere policy, and for which a veneration is kept up in the minds of the people, for the ſole purpoſe of making it ſubſervient to the downfall of the man who might be courageous enough to attempt its deſtruction. I ſhall paſs over in ſilence the obſtacles which that famous Act daily oppoſes to regulations as well adapted to the preſent ſtate of things, as thoſe it contains were to the circumſtances that gave it birth; but, to the intoxication produced by its ſucceſs, I ſhall be bold enough to impute one of the moſt miſtaken notions on the true aim of national commerce: it is a very fatal error, to imagine that money ought to be the *object* of thoſe operations of which it is only the *means*. This chimera, it is true, has never been realiſed; the wiſdom of private cupidities has always triumphed over the folly of general cupi-

dity: nothing more clear than the exactneſs with which the treaſures of *America* have been ſhared amongſt all the nations of *Europe*, each in proportion to her agriculture and her induſtry, that is, according to her wants: at leaſt it appears to me, that the two balances of *England* and *France*, which I have produced, are incontrovertible proofs of what I here advance, though they have been imagined and received as proofs of the very contrary; nevertheleſs, the prejudice concerning theſe two *formidable balances* ſtill ſubſiſts, and it is this prejudice which daily gives life to new prohibitions, and new reſtrictions: there is not perhaps in all *Europe*, a ſingle modern regulation of that kind which does not owe its eſtabliſhment to this prejudice, and to the power it derives from the veneration paid to it in the place where it was firſt conceived. The nation who takes the lead in point of commercial knowledge, is every where carefully watched. On the leaſt of her operations, other nations make uſe of the light ſhe has held forth; her principles are ſtudied, her maxims adopted, her examples followed; every where they are on their guard againſt her pretenſions, pretenſions openly avowed, proſecuted without myſtery, and crowned, as it is ſuppoſed, with ſucceſs; and when they ſee, that within the courſe

courſe of a twelvemonth, ſhe has really received more gold and ſilver than ſhe was wont to receive in three years; when they ſee the intoxication of her inhabitants on the arrival of thoſe treaſures which obey her call from all parts of *Europe*; when they hear the complaints of her news-paper writers againſt the untractableneſs of the *Americans*, in not ſuffering themſelves to be entirely ſtripped of their ſpecie; when they attend to her invectives on the combinations of the *American* merchants to prevent thoſe of *England* from taking away that trifling ſum in ſpecie which the *United States* want, to give more conſiſtency to their paper-money;—*then*, indeed, *then* it is poſſible to forget every thing elſe; it is poſſible not to remark, that, with the ſame exceſs of avowed cupidity, *England*, nevertheleſs, has not received, in the courſe of a whole century, *(a period ſufficient to determine an experiment) England*, I ſay, during a whole century, has diſdained to receive her dividend of the treaſures imported into *Europe*; the paper-money circulating in *England* ſtands evidently in lieu of a great part of the ſum it repreſents, *and which it was at her own option to procure.* It is alſo very pardonable not to reflect *then*, that it is impoſſible for *England* to keep long in her hands without hurting herſelf, more than any other nation,

tion, any money above what is neceſſary for her. No one takes the trouble of arguing long on cauſes, when the effect is inſtantaneouſly and powerfully felt: *Not* Europe *alone, but the* United States *of* America, *are ſtript of their money by* England; England *therefore wants not any longer to import foreign goods, or when ſhe advances the price of her own merchandiſe, ſhe refuſes paying dearer for that of other nations.* The other nations do not heſitate—*Engliſh* goods are inſtantly prohibited.

The following principles are ſuch as, I think, can never miſlead.

There is not a ſingle nation that cannot boaſt ſome palpable advantage over another; nay, there is not a nation, a ſingle province, that has not received ſome peculiar favour from nature, which the ſame ſoil to all appearance, the ſame temperature, the ſame expoſure, refuſe to yield any where elſe but *with double the labour, and double the expence*, and which, even with ſuch additional aids, they yield at laſt only in a ſtate of degradation. Now, that portion of ſuch peculiar favours, which the proprietor of the land does not chuſe to conſume, belongs only to the greateſt quantity of other favours that it is poſſible to procure in exchange. The more the

proprietor

proprietor procures of ſuch other favours in exchange, the more is he encouraged to increaſe the quantity of articles which have enabled him to procure thoſe favours; on the contrary, the more he is reſtrained with regard to thoſe exchanges which he might procure, the more he is circumſcribed, even in his means of production. Every reſtriction therefore tending to diminiſh either the production or the price of any article whatever, is a theft committed upon the proprietor of the land, upon the province bleſſed with that favour which is peculiar to it, upon the nation whoſe general revenue is decreaſed by the whole amount of the productions ſtifled in the very bud, upon the exchequer of that nation which would receive a duty on thoſe productions; and finally upon every one capable of preſenting the nation with another exchangeable commodity, or waiting only to ſee thoſe productions, in order to create an equivalent to pay for them.—Does it ſignify in what part of the world? Muſt it not, at laſt, reach the original proprietor, if he be not paid?

What is ſaid of the productions of agriculture, may be applied to thoſe of induſtry. It is a groſs miſtake to imagine, that all things can be equally well manufactured every where: how many fabrics, the perfection of which depends on

on the quality of the water, and other local cauſes for which it is impoſſible to account! How many more derive their perfection from the bent of national genius, from the general diſpoſitions, the natural qualities of the inhabitants! Can we expect from the vivacity of the *Frenchman*, who deſires only to conſume, what we may expect from the patience of the *Engliſhman*, who labours only to enjoy? This latter will always, and in ſpite of himſelf, give to his work a ſolidity which will increaſe its price as well as its value; the other, in ſpite of himſelf, will be buſy about the forms beſt calculated to procure a quick ſale: objects of real comfort will always belong to the former, the latter will ever lead the faſhions. To hope that the one will produce, without difficulty, what coſts little or nothing to the other, would be attempting to give to the wines of hot countries the pleaſing acidity proper to the wines of *Germany*; to theſe, the reſtorative and balſamic qualities of the *Spaniſh* and *Italian* wines in the places where they underſtand how to make them; to the wines of *Italy* and *Germany*, that native generoſity proper to the wine of *Bordeaux*; to all of them, the flavour of *Burgundy* and the ſprightlineſs of *Champaign*. It is poſſible, ſay they, to imitate every thing;—ſay rather, to adulterate, to corrupt, nay even to poiſon

poiſon every thing, if Art can find no other way to counterfeit Nature: *and theſe are the bleſſed effects of reſtrictions and prohibitions.* It is a ſtrange idea, to think of doing without others; as if that did not lead them to think of doing without us; as if the ſavage, of whom I have ſpoken, had not the ſame reaſon to prefer his ſtate to that of civiliſation.

Nor would it be leſs ſtrange to perſiſt in ſetting the intereſt of the people in oppoſition to that of the Exchequer, if it were poſſible to reconcile them together, *inſtead of rendering, almoſt on every object at preſent, the infamous trade of informers more lucrative than labour.*

Smuggling is hurtful to the State; it deprives government of the duties on the articles ſmuggled into or out of the kingdom; but is it ſo very advantageous to ſucceed in the meaſures adopted to prevent it, if by bartering a great number of honeſt ſmugglers againſt a great number of informers and a great number of cuſtom-houſe imps, you make ſo many thieves of the firſt, ſo many much more contemptible wretches of the ſecond, a rabble almoſt equally vile as the third; and ſucceed, at the ſame time, in debaſing in the hands of ſeveral manufacturers and landed pro-

proprietors, the value of all thoſe articles, which were before taken from them by the ſmugglers to their mutual benefit?

England, it is true, ſuffered no damage, when a prodigious quantity of *Engliſh* goods, which are not comprehended in the *modeſt* balance with *France*, as ſtated by Sir *Charles Whitworth*, becauſe they were introduced into *France* by ſmugglers, were ſold nevertheleſs, without much ado, all over that kingdom, and particularly in *Paris*, publicly advertiſed on the ſhop-boards, in large gold letters;—but had not *France* ſome reaſon to think herſelf ill uſed, when an equal quantity of *French* goods, introduced alſo by ſmugglers into *England*, without any information given to Sir *Charles*, ceaſed to pay the value of the goods ſmuggled from *England*, and ſold publicly all over *France*, and when, inſtead of a ſmall balance, ſometimes given, ſometimes received, *France* found herſelf obliged to remit to *London* an enormous ſum in hard caſh, for payments which ſhe had hitherto diſcharged in merchandiſe?

It is a pitiful policy on the part of *France*, (as remarked very juſtly in all the *Engliſh* papers after the firſt of *Auguſt*, 1785) to deprive herſelf of a thouſand *Engliſh* luxuries which ſhe is ſo fond

fond of, and which ſhe is ſo able to procure; —but is *Engliſh* policy much better, in rejecting thouſands of *French* luxuries, which ſhe finds ſo pleaſing, and which ſhe is ſo able to pay for?

Smuggling is but a very poor corrective, a partial corrective, of the iniquity ever attendant on Monopoly;—a feeble compenſation for the reſtrictions and prohibitions obtained in its favour: Smuggling, duly conſidered in this light, is but too juſt; and it is ſhocking to be obliged to puniſh ſo barbarouſly the unhappy men who gain a living by it. But will not this neceſſity be removed, together with ſmuggling itſelf, at the very moment that to thoſe abſurd regulations which encourage that practice, ſhall be ſubſtituted a ſyſtem of bartering, equally advantageous to the nations which now find a benefit in ſmuggling?—a ſyſtem, which would mutually furniſh to all parties intereſted, all the means of introducing and procuring, in the beſt condition, at the cheapeſt rate, with the leaſt riſk, and with the greateſt advantage to the Treaſury, every article which before was introduced and procured at a greater riſk, almoſt always dearer, of the worſt quality, and to the detriment of the public revenue.

Let

Let me aſk whether that maſs of prohibitions and reſtrictions, which *legally* eſtabliſhes monopoly in *England*, be any thing more than a maſs of privileges granted to a choſen few, to the prejudice of the whole community? Were we to look at every particular regulation, and conſider it diſtinctly, is there one which would not find the whole nation againſt it, *except the humble Petitioners who ſhare in the benefit?* And muſt it not be very ſtrange to imagine, very abſurd to ſay, and above human power to effect, that a ſyſtem of regulations, not one of which favours above one man againſt thouſands, ſhould, upon the whole, be ſerviceable to the State?

Independent of the advantages which would ariſe from a truly free and judicious ſyſtem of commerce, viz. 1ſt, That of procuring what we have not, by means of ſome article which we have in abundance, and which our neighbours want;—2dly, The bartering of the ſuperfluity of our beſt articles in one kind, for the ſuperfluity of what is beſt in a different kind;—3dly, Not to barter what we can make cheaper than others, except for goods which would coſt us more were we to manufacture them;—independent, I ſay, of theſe three, though

advantages, where would be the inconvenience, though our bartering ſhould be confined merely to the innocent folly of exchanging one toy for another, or one rag for another? The great, the true, the only advantage, of an exchange of property, would not even in this caſe be loſt to mankind; the man who is employed only in marking the game, while two perſons are amuſing themſelves, whole days, in toſſing a ball from one to the other in a tennis-court, is nevertheleſs ſupported at the expence of the players. And are not the owner of the court, his wife and children, maintained likewiſe at their coſt? If, having conſidered the Exchequer metaphorically, under the type of the Keeper of the Tennis Court, we afterwards, without a metaphor, conſider this Keeper as a poor man who chooſes this way of ſubſiſtence, do not the players pay this tax (which they impoſe on themſelves) in favour of the poor, with more pleaſure, though the tax may be greater, than a certain other tax, which perhaps becomes neceſſary, only from the difficulties with which we embarraſs both the game of paſſing from one pariſh to another, and the game of imports and exports, which is as innocent, and more lucrative than that of tennis?

The nominal Value of the generality of Exports, conſidered in different Periods, and with reſpect to its Effect on foreign Correſpondence.

WHEN a manufacturer is compelled, by the general augmentation of prices, ariſing from taxation, to pay his workmen and materials ten *per cent.* I ſuppoſe, dearer than uſual, and he exports 1000 hats, *upon each of which* a draw-back of 6 ſhillings, I will ſuppoſe, is allowed him on exportation, he does not reflect on the difference of 10 *per cent.* diffuſed through the general run of prices, by the mechanical reaction of the total of the taxes on all that is not taxed; he remembers well the effect of this reaction in the account which he makes out for himſelf, to know at what rate he muſt in future ſell his hats in foreign markets; he only conſiders the draw-back, the remittance of the 6 ſhillings duty, and concludes that it puts him in a ſituation to deal with foreigners on the ſame terms as he did previous to the taxes, which have increaſed every thing to the amount of 10 *per cent.* Nevertheleſs, the thouſand hats, with which, previous to the taxes, he furniſhed his foreign friends for 1000*l.* I will ſuppoſe, are now raiſed to 1200*l.* — Point out this circumſtance

to

to him, he will tell you he cannot ſell his hats cheaper, and that foreigners muſt pay 1200*l.* inſtead of 1000*l.* ſince the foreigner wants them. "Beſides, (ſays he) what is the ſum of two hun- "dred pounds more, divided among a thouſand "perſons, who will purchaſe the hats from the "merchant abroad, to whom he ſells them?" The manufacturer does not want to look further; and the writer who from the nature of his ſubject, or his manner of conſidering it, wants only to reflect a little more, will only add, *Thus it is that foreigners pay our taxes, and never ſuſpect that they do ſo.* This is the truth, but not the whole truth. I ſhall endeavour to find it out.

The general trade of *England* with the reſt of *Europe* is not confined to ſome thouſands of pounds ſterling, to be ſettled once for all; it is an immenſe ſum, *which muſt* be renewed every year. Let us begin by being thoroughly convinced of this neceſſity, in order to ſubmit to its conſequences: we ſhall find moreover that theſe conſequences are not deſtructive.

The annual exports of *England* amount to about a fifth of the products of her induſtry, and conſequently repreſent about a fifth of the labour of her artificers.

If the taxes, after the war of 1755, had raiſed the price of every thing at the rate of 10 *per cent.* (I can err but by a little more or leſs) the total of her exports, which, before that war, amounted, on a medium of ten years, (ſee Sir *Charles Whitworth*) only to a ſum of 12,776,614 pounds ſterling, let us ſay 13 millions, amounted, after the peace, to 14 millions 300 thouſand.

Let us now ſuppoſe the trade of *England* exhibiting to its foreign correſpondents, in the year 1762, this total in exports of 13 millions (at the old prices) under the name of 14 millions 300 thouſand pounds, (a price rendered unavoidable by the advance in the prices of all commodities, on account of the taxes); and let us ſuppoſe theſe correſpondents to have, really and annually, no more to pay them than 13 millions of their own manufactures, indicated by this modeſt number, becauſe they had not the honour to ſupport, during ſeven years, a war the moſt brilliant and ſucceſsful in the memory of man, in *Germany*, *America*, and *India*. I think one of the three following conſequences muſt be the reſult:

Either

That the total of *Engliſh* exports muſt have been reduced from 14 millions 300 thouſand pounds

pounds to 13 millions, for want of means in our foreign buyers to pay the whole amount of *Engliſh* exports at their advanced price:

Or,

That *England* muſt have been complaiſant enough to call 13 millions, in a foreign market, the amount of her exports, which the effects of her new taxes obliged her to call 14 millions 300 thouſand pounds at home:

Or,

That *England* muſt have allowed her foreign connexions to call 14 millions 300 thouſand pounds the ſame quantity and quality of their manufactures, which, before the effect of *Engliſh* taxation, they called only 13 millions, and which, *till then*, had made the balance of what they imported from *England*.

In the firſt caſe, the *Engliſh* manufactories, which furniſh the exports, would have been neceſſarily reduced one tenth; upon which it is neceſſary to obſerve, that the tenth of the *Engliſh* exportation makes a fiftieth of the total value of the product of her induſtry, and that the inutility of the fiftieth of thoſe products, occaſioned by the impoſſibility of their being purchaſed by

foreigners at the price occaſioned by the *Engliſh* new taxes, muſt have deprived of ſubſiſtence, as well as of employment, a fiftieth of the *Engliſh* artiſans, and rendered uſeleſs a fiftieth of the capitals appropriated to exportation.

In the ſecond caſe, the prices of commodities would not be perceptibly increaſed any where elſe but in *England*; the prices of her correſpondents would have been, ten years after the peace, almoſt as they were in 1754.

In the third caſe, the prices would have increaſed, among the foreign correſpondents of the *Engliſh*, nearly in the ſame proportion as in *England*.

The firſt caſe is evidently falſe, ſince Sir *Charles Whitworth*'s *Statements* prove that the exports of *England*, which amounted, as we have before obſerved, upon a medium of 10 years before the war, only to 12 millions 776,614 pounds ſterling, amounted, upon a medium of 10 years after the peace, to 14 millions 921,067 pounds ſterling, and even to 15 millions 11,211 pounds ſterling, if we take a medium of 12 years from the peace to 1773, at which period Sir *Charles Whitworth*'s *Statements* conclude; (which exhibits,

bits, *independently of the nominal augmentation ſuppoſed to have been occaſioned by the taxes*, a *real* augmentation of about a 17th, notwithſtanding *the real vacuum owing to the loſs of thoſe men who would have increaſed this exportation, if they had not periſhed in* Germany, India, America, *and at ſea.)*

The ſecond caſe is more univerſally acknowledged to be falſe, ſince there is not a ſingle country in *Europe* where the price of every thing has not, upon a medium, increaſed at leaſt 10 *per cent.* from 1754 to 1770;—which proves the truth of the third caſe:—thus it happens that foreigners have paid the old taxes of *England*, without ſuſpecting it; as *England* does not, in the leaſt, ſuſpect that thoſe taxes are no longer paid either in *England* or elſewhere, although their produce returns nevertheleſs to the public creditor.

Let us conſider, however, whether this general increaſe of prices could finally prove prejudicial to *England*, or to her connexions abroad.

It could not prove ſo to *England*, becauſe ſhe was obliged to ſubmit to this increaſe, or elſe to give up the manufacturing of a tenth of the commodities ſhe exported to foreign countries *(where ſhe*

exports nothing of what ſhe can ſell at home), and becauſe a deficiency of a 10th of her exports would have inevitably deprived a 50th of her artiſans of ſuſtenance, and rendered uſeleſs a 50th of the capitals devoted to exportation. Beſides, conſidering this object in another light, what loſs would *England* ſuſtain by receiving, under the denomination of 14, I ſuppoſe, the ſame commodities which before were furniſhed for 13, while ſhe gave for the purchaſe, only 13 (old prices) which the effect of taxation made her call 14?

It could not prejudice her foreign connexions, becauſe this increaſe of prices, which *abroad was not owing to taxation*, was only an encouragement to labour, which muſt in general have increaſed its products, always entitled to a profit over and above the price paid for that labour.

A circumſtance which was neceſſary for *England*, without doing her the leaſt harm, has, then, proved uſeful to the reſt of *Europe*.——

But let us remark two very eſſential points:

The firſt is, that it is impoſſible in the nature of things, to keep up foreign conſumption, *upon which*

which depends the continuation of our exports, without giving foreigners leave to increaſe the price of theirs, by ſo much as the commodities carried to them muſt be increaſed by our taxes;—in the ſame manner as it is impoſſible in the nature of things, to keep up interior conſumption, national conſumption, *upon which depends the payment of taxes,* without a general interior increaſe in the price of labour, as well as in the price of its products, when the wants of the State require new contributions.

The ſecond obſervation which I deem equally eſſential, is, that ſuch a work, *(a work of an utility which may be called univerſal)* has been brought about, conſummated, without the Miniſters of any State whatſoever being entitled to any glory from the event, except that of having facilitated the operation, if they have favoured the general liberty of communication in all articles of trade; and without their having deſerved any other blame but that of retarding it, if their zeal, their greedineſs for the *favourable balance,* has ſuggeſted to them any *device* to attract and overthrow it in the only country entruſted to their management. We muſt univerſally ruin Credit, Trade, Commerce, and the Banking buſineſs, if we pretend to prevent Wealth from extending itſelf univerſally, a little ſooner or later. *The owner*

of

of any kind of riches whatever, has it not in his power to do any thing elſe, but to chooſe the place, the object, and the time, of giving the firſt motion; all the reſt is merely the effect of a ſtone caſt into the water: obſerve how the undulations ſucceed one another, how they are renewed and extended;—can you fix the point where they ſhall ſtop?—We pretend to direct them!—*Scilicet is ſuperûm labor eſt? . . . . Iſtæne animis cœleſtibus curæ?* — Indeed, indeed, too many cares occupy the minds of our Gods!

I return to the grand points.

Methinks upon viewing the picture I have drawn, it is eaſy now to conceive, why, as I have obſerved in page 62, *a perſon, however ſtrongly convinced of the cruel effect which ought naturally to ariſe from a debt of* 64 *millions ſterling, contracted from* 1754 *to* 1762, *could not nevertheleſs cite in* England, *from* 1763 *to* 1775, *a ſingle indication of a decay in agriculture or commerce, nor any falling-off in the enjoyment of luxury, public or private, nor leſs inſolence in the bulk of the people.* The reaſon is this: the two capitaliſts, who failed not to increaſe the price of every thing they were concerned in, according to the exigency of the taxes, determined alſo

alſo *(after a few little formalities, always neceſſary with regard to the people, when nothing but luxury has been taxed)* to augment the price of labour in proportion to that of its products; foreigners, on the other hand, raiſed the price of their goods in proportion as taxes had increaſed the goods of *England* exported to them; and the old equilibrium was reſtored every where, as ſoon as the general increaſe of prices had made the general power of conſumption, equal to the need the State was in of an exterior as well as an interior, *i. e.* of a foreign as well as a national conſumption, in order that all the taxes might be productive.

But if the debt of 64 millions, contracted from 1754 to 1762, had increaſed, by 10 *per cent.* the nominal value of all merchandiſe exported from *England* ſince that period, how ſhall we prevent the 60 millions of the laſt debt, from increaſing, from 8 to 10 *per cent.* the nominal value of all commodities to be exported after this later period?

And if the general augmentation of prices, which has clearly followed the debt contracted in *England* from 1754 to 1762, has proved advantageous to all *Europe*, without hurting *England*, why ſhould not the general increaſe of prices,

prices, which reſults, and will inevitably reſult from the laſt *Engliſh* debt, prove unprejudicial to *England*, although it will prove advantageous to all *Europe?*

But if this increaſe of 10 *per cent.* generally acknowledged, in the price of all merchandiſe in *Europe*, had extended only to the products of induſtry; if the price of the total of the produce of agriculture had not increaſed in the ſame proportion;—*had not Nature always ſilently and ſucceſsfully oppoſed all the dreams of ſpeculation on this head, to what a degree of miſery and wretchedneſs would not agriculture have been reduced in all parts of our ſo much enlightened* Europe!—It was not ſo.*

The quantity of wheat ſold at *Berne* at 69 *batz*, on a medium of five years taken from 1751 to 1755, was ſold for $92\frac{3}{5}$ *batz* from 1766 to 1770.

The

* In the Political Arithmetic of Mr. *Young*, may be ſeen the accounts, year by year, whence I have drawn the inferences here ſubmitted to the Reader. It is but a few days ago that I thought of comparing with my own ideas the reſult of the whole of thoſe accounts.

The quantity of wheat ſold at *Dijon* at the loweſt, 2*l.* 11*s.* 5*d.* on a medium of 5 years from 1753 to 1757, was ſold at the loweſt, 4*l.* 5*s.* 9*d.* on a medium of 5 years from 1766 to 1770.

The quantity of wheat ſold at *Bâle* for 9*l.* 9*s.* on a medium of 5 years from 1754 to 1758, was ſold for 13*l.* 14*s.* 2*d.* on a medium of 5 years from 1766 to 1770.

The quantity of wheat ſold at *Geneva* for 27 *florins*, on a medium of 5 years from 1751 to 1755, was ſold for 37 *florins*, on a medium of 5 years from 1766 to 1770, (ſee *Arthur Young*'s Political Arithmetic.)

We find upon the total, from 1755 to 1770, as I obſerved in my *Reflexions on a ſingular revolution in France*, about 40 *per cent.* increaſe in the price of wheat.—Ten *per cent.* was enough to diſcharge, without expence to any body, and without any attention being paid to it, the intereſt of the debt contracted in *England*, from 1755 to 1762; but 30 *per cent.* more was neceſſary, in order to come (without injuring *England*) nearly to an equality with the *Engliſh* price, a price advantageous to the agriculture of all *Europe*; an advantageous price, which the *barriers* and barricadoes

ricadoes ſet up in *France*, had till then prevented from extending to *Switzerland*.

The barriers having been removed, *Switzerland* and *France* muſt neceſſarily have been enriched, or *England* ruined:—*France* and *Switzerland* were better pleaſed to be enriched; and ſo it will neceſſarily happen after the removal of the barriers ſubſiſting between *England* and *Ireland*, that the agriculture of the latter muſt be enriched;—unleſs ſhe ſhould chooſe to do herſelf a real prejudice by keeping to all her former low prices, in order to procure an imaginary advantage to *Iriſh* induſtry, in hopes of prejudicing the *Britiſh* manufacturer;—which would indeed be very ſtrange.

But if this proportionate augmentation in the price of every thing,—as evident as it is neceſſary,—as general as it is uſeful,—as natural as it is little ſuſpected,—in conſequence of a national debt contracted by a country trading with all *Europe*,—getting rich by trading with all *Europe*,—and who cannot get rich without ſharing her wealth with all *Europe*,—be alſo a complete demonſtration of the burden being NULL, ſo ſoon as the little private intereſts have rendered it general, and no longer permit

permit the ſuppoſition of its being productive of any other bad effects, but ſuch as neceſſarily reſult from a bad ſyſtem of taxation; does the point lie in rectifying the ſyſtem, or in effecting a reimburſement?—At leaſt, is a tax to be levied for the purpoſe of reimburſing, before we have ſearched deep into THE QUESTION THE MOST INTERESTING TO SOCIETY THAT EVER WAS PROPOUNDED?

And in the ſuppoſition, that it ſhould reſult from the examination, as it does from my ideas, *that there neither is, nor can be any real and laſting harm in the taxes, but that which is the conſequence of a bad ſyſtem of taxation*; as there is however ſo much more harm done, at leaſt of a tranſient nature, as there are more taxes impoſed, even in the beſt manner,—would it not be neceſſary to conclude, that loans bearing annuities, eſteemed the moſt advantageous to the State, (although they always require an heavier, and ſometimes a double taxation), might have proved the moſt pernicious and worſt deviſed, *in any other circumſtance but that of a total diſcredit*, if they did not now furniſh the Sovereign with the means of redreſſing what is moſt oppreſſive in the old taxes, without impoſing new ones?

On

On Luxury.

I *CAN ſum up all that I have ſaid hitherto, by tranſcribing a couple of pages out of a pamphlet written in* America *in the year* 1774, *laid before the Academy of Sciences in* 1778, *and printed at* Paris *in* 1781. *I ſhould certainly be excuſable had I no other motive in this reſpect, than to prove that my opinions are neither ſuggeſted by, nor depending on circumſtances. The reflexion contained in the following quotation from that pamphlet, on the war that broke out in* 1779, *is but a ſurvey of the new order of things, which would not have preſented itſelf to my mind, had it not been in my power, even then, to have publiſhed in ſeveral large volumes, that which I now compriſe within three hundred and ſome pages, in order to render its peruſal leſs laborious to the reader.*

" All the myſtery of ſociety, conſiſts in " eſtabliſhing, without the knowledge, and to " the greateſt advantage of the parties con- " cerned, the moſt equal, the moſt exact, and " the moſt equitable diviſion that poſſibly can " be made, between the land proprietors, who " are in poſſeſſion of all, and the *pilferers* who " are in poſſeſſion of nothing.

" This

" This diviſion operates of itſelf, by ſhackling,
" as little as poſſible, the natural paſſions of the
" one, and the factitious paſſions of the others,
" that is to ſay, by obſtructing, as little as poſſi-
" ble, communications of all kinds.

" This diviſion is inſeparable from the great-
" eſt poſſible quantity of productions and con-
" ſumptions, which cannot be effected but by
" the greateſt number of *productors* and con-
" ſumers, who will always be found and at-
" tracted where the laws ſhall be as little pro-
" hibitory as poſſible.

" A prohibitory law in one country, may be,
" ſhould be, and no doubt will be, inſtantly fol-
" lowed by ten others, in ten different coun-
" tries, which will ſoon enforce the *re-eſtabliſh-*
" *ment of the equilibrium dictated by Nature, the*
" *only one that deſerves to be attended to, and the*
" *only one that muſt prevail at laſt.*

" To the preſent war, *a war of revolution*
" *if ever there was one,* will probably ſucceed
" the only uſeful and neceſſary war that can be
" waged between nations enlightened by the
" longeſt and moſt melancholy experience; a
" war eſſential to the happineſs of mankind,

" ſince the only conteſt left for deciſion will be,
" who ſhall prove the moſt able to deviſe, or
" the moſt ready to adopt, thoſe laws that are
" calculated to procure *the greateſt poſſible con-*
" *ſumption*, on which depends *the higheſt degree*
" *of public revenue* :—

" Diſcuſſions theſe, important at all times,
" dangerous for every one a few years ago,
" unbecoming perhaps in a private individual
" at a time when the true politicians of
" *Europe* will find themſelves compelled to
" make them the object of their moſt ſerious me-
" ditations ;—diſcuſſions, in fine, entirely out of
" the way of a cultivator, who could not, without
" a palpable folly, ſuffer himſelf to be led into
" them by the examination of his blade of
" graſs, and of a principle too evident to be
" conteſted." *(Eſſai ſur la culture de la canne à ſucre.)*

When a man has ſhewn himſelf capable of looking upon a war as the readieſt means that could conduce to a general union of intereſts, no one will be ſurpriſed if that very man ſhould allow to luxury the principal honour in the accompliſhment of ſuch a prophecy. Nor would any one be ſurpriſed

priſed if he were to add, that the rage for luxury, in a diſcerning deſpot, would ſoon lead him to eſtabliſh within his dominions the greateſt freedom, from which alone he can expect the greateſt diſplay of all kinds of luxury, the choice and firſt fruits of which would be always at his command. Nor again would any one be ſurpriſed were the prophet to add, that wherever luxury ſhould be at its ſummit, none but the idle would be at a loſs for a livelihood, and that not a mean one; that even the idiot, as well as the worn-out labourer, would find there, under the deſignation of a hoſpital, *an aſylum equal to the habitation of a King:— The habitation of the Kings of* Great Britain *is not comparable to ſome of her hoſpitals.*

Would not the queſtion about luxury, reduced to its elements, like thoſe other queſtions which I have touched upon hitherto, preſent conſequences diametrically oppoſite to thoſe ideas which perhaps are yet too common, only becauſe they have not been thoroughly examined? Methinks I have advanced one ſtep towards the ſolution of the problem, by proving (if I have proved it) that the tax laid on that pretended monſter, Luxury, is in fact the moſt oppreſſive for the people, on account of the fol-

lowing effects, from which the impoſt cannot be freed.

Firſt, If that tax leſſens the conſumption of the article taxed, proviſion muſt be made, by a freſh tax, for the *deficit* in the firſt, which nevertheleſs has already deprived of ſuſtenance, thoſe who derived it only from that article of conſumption annihilated by the tax.

Secondly, If the rage for the article taxed, gets the better of the rigour of the tax, or in other words, of the abſurd diſproportion thereby eſtabliſhed between the real and nominal value of that article, the land proprietor has no other reſource left, whereby to provide for the tax, and for the reſt of his ſtanding expences, than to raiſe the prices of his commodities accordingly; and the poor, whoſe conſumption has not been taxed, pays dearer, nevertheleſs, for his bread, and for all that he conſumes beſides, whilſt the tax laid on luxury alone, is pleaded by all the *capitaliſts* as a pretence for not increaſing the price of labour amongſt the people they employ.

Thirdly, If the little private calculations, of which I have ſpoken, did not rectify (as I contend they do by degrees, and as they ought to do ſooner)

ſooner) the miſtakes of the grand calculations in the adminiſtration of finances; that is to ſay, if the land proprietor did not increaſe the price of his commodities, in proportion as the tax bears heavy on that article of luxury which he ſtill perſiſts to conſume: it would appear ſtill more heinous in the eyes of the moraliſt; for thoſe artificers who, without remorſe, without a bluſh, ſhould employ themſelves in the work of *Satan*, of which the conſumption ſhould continue the ſame, would ſubſiſt undiſturbed in peace and plenty on that very work, whilſt a conſiderable number of ſcrupulous artiſans, employed hitherto on articles free from cenſure, but of which the conſumption ſhould have decreaſed by the counter-blow of the taxes on luxury, would moſt ſcandalouſly be left ſtarving and unemployed.

I ſhall now inſpect the queſtion more minutely; for all I have ſaid hitherto is not ſo much an apology for luxury, as an expoſition of the inconveniences attending its being made the principal object of taxation: I beg to be excuſed, if I grow unwillingly more familiar in my ſtyle, when the dignity of the ſubject ſeems to require one of ſuitable dignity in the manner of treating it.

It is the quality of the land that determines the diviſion of its products: however ungrateful the ſoil, the man who cultivates it, firſt deducts what is neceſſary for his ſubſiſtence, and a trifle more; the reſt is divided amongſt the landlord and ſome others, for one reaſon or another admitted to a ſhare. This diviſion, determined by the moſt general quality of the land, brings down the proprietor, who farms out his eſtate, to about one third of its productions, and reduces nearly to the like proportion, thoſe who are employed in wreſting them from the boſom of the earth.

In order therefore to conſume as much as 80 men, the proprietor muſt have a landed eſtate capable of giving food to 240; and out of theſe 240, 160 muſt be provided for before the proprietor can think on his own conſumption. Conſequently, it would be unreaſonable to call him to any other account than for that portion which he has received: but I readily ſubſcribe to the neceſſity of having that account examined with the utmoſt rigour, ſince the object is to juſtify the diſſipation of ſo conſiderable a ſurplus, and ſince the employment of that ſurplus, well aſcertained, will give us ſufficient light on the employment of the other parts of the revenue, which by that means it will be uſeleſs to examine.

The

The higheſt pitch of extravagance, in point of luxury, is, beyond contradiction, that which, in the ſmalleſt poſſible compaſs, contains the largeſt quantity, as well as the greateſt perfection of labour, and of a labour the moſt eaſy to deſtroy.

Let us ſuppoſe a man who, to the fancy of being poſſeſſed of ſuch an article, ſhould join that of ſeeing conſtantly at work all thoſe hands which muſt be employed to complete it; ſuch a fancy never produces any other effect, but that of tertiating or doubling the price of things. The Patriarchs of old, buſied and amuſed themſelves, no doubt, in ſetting to work thoſe whom they enabled to eat; they lived too near the time when man was condemned to labour, to maintain them in idleneſs. The modern Patriarch of whom I am ſpeaking, provided with a pound weight of flax, which coſts him 6*d.* divides it among 25 working people, who give it every preparation neceſſary to anſwer the purpoſe it is intended for. After an entire month of the moſt ſlaviſh precautions, the moſt minute details, a thread, hardly perceptible to the naked eye, preſents to the warm imagination of the proprietor, the idea of the *chef-d'œuvre* of which this thread is to be the foundation; after 4 or 5 months more, devoted to the moſt patient and aſſiduous induſtry, he is at laſt put

in poſſeſſion of ſome ſlips of lace, weighing in all 4 or 5 drachms, picked out and ſorted, thanks to the laſt refinement of art, from that pound of flax which had coſt ſix-pence. Five-pence three farthings, and a few fractions, are then, it ſeems, in the ſtricteſt calculation, the only real loſs—the only devaſtation which is occaſioned by luxury carried to the higheſt pitch of extravagance; and this loſs is compenſated by ſome very curious pieces of workmanſhip, which it is impoſſible to value at leſs than 227*l.* 10*s.* being the amount of 4550 days work at 12*d.* paid to each of the 25 working people, who have owed their ſubſiſtence, for ſix months, to that pretended inutility.—Amongſt all the paſſions with which Providence has been pleaſed to gratify the rich for the advantage of the poor, name me only one that occaſions leſs devaſtation, and maintains a greater number of indigent perſons, than luxury carried to exceſs. O ye rigid men, who have left off wearing lace, join with me who have left it off too,—join with me in teaching thoſe who continue to wear it, how many of their brethren they nouriſh without knowing it! Make them virtuous by teaching them, that in order to be ſo, they need only do, from a ſentiment of humanity, what hitherto perhaps they have done through a motive of puerile vanity, or from a principle of oſtentation, which, when conſidered,

conſidered, needs to be conſidered with ſome indulgence.

Another aſpect, whimſical enough perhaps, but by no means foreign to the title of this pamphlet, would be that under which we ſhould view thoſe prodigies of art and patience, as the work not only of 25 artificers who were buſied upon it for ſix months, but alſo of 12 or 15 huſbandmen whoſe exiſtence and labour were indiſpenſable for the ſuſtenance, during the ſame time, of the 25 labouring people employed in that great work. . . . .A peeviſh man would perhaps exclaim, *Was it indeed worth while to be born, if all ends with this life?*—And yet, even in this caſe, thread-lace ought not to be proſcribed: it was not worth while indeed to come into the world, ſolely to make lace; but, once born, we muſt work at ſomething, in order to bear, without wearineſs, every inſtant even of a life which ſhould not require lace-making for its ſupport: as to the nature of the work, let us not find fault with that of others, before we juſtly eſtimate our own. . . .Can we find many of our fellow-creatures, who on their death-bed are able to ſhew the work of their whole life. . . . . worth the ſmalleſt ſhred of lace then in being?

After this ſingle inſtance of luxury, by which 25 men are fed during ſix months at the expence

of

of another, by daily reducing his revenue from 80 to 55, I think that, without being an enthuſiaſt or a declaimer, it would be difficult, even for a good man in the right ſenſe of the word, to withſtand the pleaſure (although perhaps rather of the miſchievous kind) of obſerving that little more is wanted beyond two ſuch fancies as we have ſtated, to bring the Proprietor, reduced in the origin from 240 ſhillings to 80, and then from 80 to 55—to bring him, I ſay, exactly to the level of the cultivator, whom he has brought down to 9*d.* or 10*d.* and of the mechanic on whom he has beſtowed 11 or 12*d*; however, I am willing to allow him 24 for his real, perſonal, and daily conſumption. Twenty-four pence! will it be ſaid, *What ſignifies being ſo rich, to conſume ſo little!* Yes, twenty-four pence; and this is by much too much, if we deduct, as we ought, from the price of each article ſuppoſed to be conſumed by the rich, the ſum that remains in the hands of the pilferers of all kinds, who ſtand, unknown to him, between him and that article.—*How! what ſay you then to that plate of green-peas which coſts* 6, 8, *or* 10 *guineas!* —But, my good friend the conſumer of green peas, if you knew how many pilferers it conceals, of whom you have not the leaſt idea! if you knew how many wants it has ſupplied

plied to ſome, how many indulgences of luxury it has procured to others, before it found its way to the table of an Epicure, or of an oſtentatious man!—Let us try to enumerate them: workers of mines and quarries, maſons, carpenters, glaziers, colliers, lock-ſmiths, *Engliſh* and *French* ſailors for the common-ſpice trade; *Dutch* ſeamen, for the more precious kinds; ſhips of war of the three Powers, indiſpenſable for the protection of the merchantmen employed on thoſe objects; wood-fellers in *Sweden*, ſail-cloth weavers in *Ruſſia*, ſhip-builders, pilots, admirals of the three nations, huſbandmen buſied in the four parts of the world in procuring food for themſelves, in order to prepare food for all thoſe wood-fellers, glaziers, admirals, &c. excluſive of the *Dutch* gardener, and the *French* cook who alone can worthily crown the mighty operation.—Imagination loſes itſelf in that ſingle plate of green peas. How many reductions from 16 pence to 8, and from 8 to 4, have been required to produce it! It is inconceivable that it ſhould not ſell for more than 6 or 8 guineas;—but if each of of thoſe pilferers above mentioned takes back the ſmall portion by which he has increaſed the intrinſic value of the article . . . .O ye, who muſt have ſwallowed up 500 *properties*, in order to eat, without being guilty of extravagance, that plate

plate of green peas, and who flatter yourſelves with the idea of having conſumed on that day fifty or ſixty crowns worth, learn and reflect henceforward, without remorſe and without vanity, that you have not ſpent above half one penny, the real value of any other diſh of greens which you might have ſubſtituted to the peas you have conſumed.

Scrutiniſe, in the ſame manner, your wearing apparel; chooſe, like a child, what pleaſes moſt the eyes of the body; or, like a faſtuous man, all that is moſt impoſing to the eyes of the imagination; or, miſer-like, that which coſts leaſt money; or, in fine, like a man of ſenſe, what your means or your taſte incline you to wear; the difference, as to eſſentials, is little or none. It cannot be poſitively aſſerted, that your conſumption will be more or leſs conſiderable in one than in the other caſe; but recollect that thread lace, for which you could not pay leſs than 227*l.* 10*s.* becauſe there ſtand between you and the pound of flax from which it has been extracted, 35 or 40 intermediate pilferers, to be fed during ſix months;—this lace, however, in ſpite of that extravagant price, could not, as you have ſeen, be ſet down to account amongſt the articles of your real and perſonal conſumption, for more than ſixpence, ſuppoſed

to

to be the intrinſic value of a pound weight of flax, which has gone through ſo many hands to be converted into lace. Now, on this principle, you might be wrapped in lace from head to foot: and your entire *mummy*, inſtead of preſenting to the eye of a ſworn appraiſer a conſumption of 30 or 40,000*l.* would in this inſtant of its higheſt ſplendor, only preſent him with a devaſtation of 200*lb.* of flax, ſacrificed to decorate that mummy, or to hide its defects.—And as the object would be 200*lb.* of flax, the value of which is fully known by the number of people to whom it would afford ſupport, inſtead of dealing ſo lightly as I did with a ſingle pound, when I introduced my Patriarch, the appraiſer would reckon with you rigorouſly; he would conſider, that in the hands of the Arts, no part of the works of the creation can be loſt; that, as it is their triumph, ſo it is their duty, to divide into 10, 20, or 30 parts, whatever requires ſuch a diviſion, in order that each may receive the degree of utility of which it is ſuſceptible, and which the Arts are bound to account for to ſociety: the appraiſer would then carry you to the lace-merchant, in order to lay before you ten different ſorts of an inferior lace, taken from parts choſen ſucceſſively after that which ſerves you for a wrapper, and deſcending ſtill from pilfery to pilfery, he would at laſt inveigle you into the cabins of ſome

pretended

pretended wretch, where he would ſhew you the quantity of coarſe and ſubſtantial ſhirts, neceſſary to teach you that 3 or 4 *lb.* of flax, at the moſt, are the only poſſible devaſtations your mummy can be reproached with, as two ſhillings are the only expence your vanity can boaſt of in the 25 or 30,000*l.* which you could preſume to have conſumed.

Yet, let us grant ſomething to the pretended importance of being poſſeſſed of 500 *properties*, each of them ſufficient to the ſupport of one man. I ſhall accordingly ſuppoſe you to be habitually cloathed in thoſe ſtuffs, which, to the richneſs of the materials that compoſe them, join the perfection of workmanſhip, (which concerns you, as you have ſeen, in no other light, but that of either a benevolent, or an unintentional provider for the neceſſary conſumption of the labouring man); —but 10 *lb.* of ſilk, as they come out of Nature's hands, are not worth 30 ſhillings:—without enquiring why they may then be valued at 30 ſhillings, bring all the other parts of your dreſs to the touchſtone I have furniſhed you with; conſider, that if you wear the ſame coat every day, it would be far from being worn out at the end of the year,—and how far it would be of courſe from ſtanding for two or three pence in the account of your daily conſumption;

—add

—add thereto your real and perſonal waſtings in coals, wood, pomatum, eſſences, elixirs, &c. *valued after the ſame principle*;—at what a diſtance you ſtill remain from the 24 pence I have granted you for conſumption!—And do not ſay that you renew your coat every ſeaſon;—had you ſwallowed up 5000 inſtead of 500 *properties*, and ſhould you change cloaths every day, your real conſumption would not be the greater for it: would not your *valet de chambre*, to whom you ſhould have given that ſuit of cloaths, for which you had paid 40 guineas, and which you had worn only once;—would not, I ſay, your *valet de chambre* ſell it for 15 guineas to an old cloaths-man, who would get 20*l.* for it from a ſtrolling player?—Be pleaſed now to trace that ſuit from *Paris* to *Liſle*, to *Bruſſels*, *Dreſden*, *Poland*, *Ruſſia*; ſee how many people will get a livelihood by carrying it about; how many guineas it will bring to the travelling *Roſcius*, who will ſhine in ſo many countries at your expence; reflect on the revolutions which the elegance of that dreſs will occaſion in the modes at *Peterſburgh*; how many draughtſmen, embroiderers, working people of all ſorts, will be employed and fed, *(thanks to your luxury)*, in copying that maſter-piece of taſte and fancy.—This is not all; you might probably, at the end of 15 years, meet again in *Paris* with the ſame

ſame ſuit, cut into ſmall pieces, in the hands of ſome ladies of the firſt rank, buſily engaged in unweaving the rags, to ſend, as ſoon as poſſible, thoſe precious relics of your ſeemingly ſpoiled cloaths, to *Lyons*, &c. where ten workmen are waiting its arrival, to get bread by reſtoring to it a great part of its former value, under another form.—And you would preſume to have conſumed it?.... The work of God is not ſo eaſily deſtroyed, nor his beneficence ſo eaſily concentered.

Was it worth being ſo rich, to conſume ſo little?

Were you to ſay, *Is it worth while to commit an injuſtice in order to grow rich, when we can conſume but ſo little, and when the means are ſo numerous of pilfering ſo lawfully all that is wanted for conſumption?* I could then underſtand you;—but ſince you are in poſſeſſion of 500 *properties* without having been guilty of injuſtice, it is ſomething to reflect that they are really to you, the ſource of numberleſs enjoyments which you have it in your power to render worthy of a rational being: and, as the continuance of thoſe enjoyments depends entirely on the health and bodily ſtrength of ſo many others who are to contribute thereto, it is ſomething to be conſcious

ſcious that we find our own pleaſures in the intereſt of others; it is ſomething to reflect, that theſe pleaſures are a very gentle mean, deviſed moſt probably by an univerſal *Watchfulneſs*, to induce you to provide men deſtitute of every thing, with that *modicum* of goods which was not granted to them, and which, nevertheleſs, being neceſſary for their ſuſtenance, is ſufficient to their moderation, and prevents their feeling the privation of all the reſt: it is ſomething to reflect, that you feed in fact 50, 100, 500 perhaps of your brethren, amongſt whom there are 10, 15, 30, as well fed as yourſelf, ſince they live on what comes from your table. As to the others, whoſe faces you will never ſee, ſince ſome of them are at *Pekin*, in *Arabia*, at *Conſtantinople*, and others in *France*, *Ruſſia*, &c. be aſſured that, with much leſs meat than you, but more bread, potatoes, or rice, and a few glaſſes of an acid liquor, the idea of which, whilſt I venture to ſpeak of it, is enough to criſp all your nerves, they are as contented, as happy as you, becauſe they conſume, without any reflection, without any ſolicitude for the morow, all they want, in order to view that morrow with the ſame tranquillity.—Would it not be unjuſt in that Being, *who weigheth the mountains in a balance*, if there were, amongſt men,

one condition more unfortunate than another? Would he not be unjuſt, if amongſt men, there were one condition more bleſſed than another? I ſuppoſe, indeed, that there exiſts a Being, *who weigheth the mountains in a balance*, as others have ſuppoſed that there is a future life, where happineſs is more viſibly equal; and I have hitherto ventured upon ſo many ſuppoſitions! —yet I would beg leave to offer one more, relating though indirectly perhaps to the object now under conſideration; but this ſhall be the laſt: I will aſk (upon the ſuppoſition that there really exiſts a Being, not only Eſtimator, Moderator, but Creator alſo of all that thinks, wiſhes, and can be happy). . . . . yes, I preſume to aſk, whether the created being, capable of conceiving the idea of giving immortality to the creature capable of wiſhing for it, of foſtering the hopes, and feeling the value of it, would not be greater than the Creator himſelf, if the Creator had not conceived ſuch an idea? — I freely confeſs, that I ſhould think myſelf better than the Creator, had the Creator conceived ſuch an idea without putting it in execution.

I now return to the point which requires no kind of ſuppoſition, I mean the real conſumption.—

tion.—Let us paſs from that very inſignificant poſſeſſor of 500 *properties*, to the greateſt Monarch upon earth.—What difference is there between his conſumption and that of the meaneſt of his ſubjects?—He has the choice of every thing, ſuch is the *ne plus ultra* of his power: three, four, or five pounds weight of nouriſhing food, are really as ſufficient for the one as they are neceſſary to the other;—and on all points, what is the object that procures to the Monarch either advantage or pleaſure, the price of which as paid by him, *were it even of fourfold the value*, is not exactly compoſed, both of the amount of the ſuſtenance that was neceſſary to the production of that object, and of a ſum which will infallibly pay for other productions, which muſt be purchaſed to forward new ones—*from which the people will conſtantly have deducted their neceſſaries, before they are permitted to ſatisfy the ſuperfluities, the luxury of any whoſoever?*—Such is that never-ending ſcrew, that adorable chain, which nothing can ſtop or break, unleſs it be the inſanity of a monſter, who ſhould receive that fourfold price, and bury it under ground, leſt it ſhould prove uſeful to ſociety.—That wretch was very conſiſtent with his feelings, who wiſhed the *Roman* people to have but one head, that he might exterminate the whole

nation at a ſingle blow; but the phœnix will ever riſe from its aſhes; and Humanity, with all her reſources, all her rights, would be reproduced from the very ſtones, were it poſſible that not a ſingle head ſhould eſcape the ſword of that *conſiſtent being* who might wiſh to cut them all off.

Thoughts on the Colonies.

THE queſtion concerning luxury leads to the inveſtigation of ſome ideas on the Colonies; I do not mean that of taxing them, either in a direct or indirect manner, for the reaſon truly ſpecious, that the wars undertaken for their protection, having loaded the nation with taxes to an enormous amount, it is but juſt that they ſhould come in for a ſhare of the burden.

It has been obſerved, that a national debt contracted, no matter for what, occaſioning in every thing an indiſpenſable increaſe of price, the Colonies pay their quota of ſuch a debt (notwithſtanding the drawbacks) when they purchaſe goods at the rate to which the ſaid debt has advanced them: it muſt alſo have been noticed, even how neceſſary it was that the price of commodities

modities from the Colonies ſhould increaſe in proportion to the price of thoſe of the Mother-country, in order that the former might be able to anſwer that advance of prices, without hurting the two eſſential points, conſumption and re-production; whence it follows, that if new taxes are introduced, *either directly or indirectly*, to defray their pretended proportion in the intereſt of the national debt, neither harm nor good will reſult, *if the price of their commodities be increaſed in the ſame proportion*; but that if they be taxed, without that increaſe in the price of their commodities, they will conſume by ſo much leſs of national goods *or of foreign ones paid for in national merchandiſe*, that is, to the amount of the ſum which the tax ſhall have taken from them: this point is evident. Thus it is, that after the war in 1755, all *Europe* was obliged, as has been ſhewn, to increaſe her prices, ſo as to put them on a level with thoſe in *England*; and had not *Great Britain* ſubmitted to that reciprocal advance, and all the reſt of *Europe* condeſcended to receive only, for the 13 *effective* millions of their own goods, the 13 *nominal* millions of that quantity of *Engliſh* commodities which was worth 14, on account of the taxes only, the nominal million which would have remained in the hands of *England*, would have been without value, *and*

no longer reproduced for want of conſumption, for want of means to pay for it, and to encourage ſuch a reproduction.

I think alſo that it is uſeleſs to examine whether the colonies can add any thing to the real power of a nation, ſince, in order to be convinced of the very reverſe, it is enough to obſerve, that if 2 or 300 ſhips mounting from 10 to 120 guns be required, in order to protect effectually an extent of between 1500 and 2000 leagues of *colonial* coaſts, diſtant 1000, 1500, nay 4000 leagues from the mother-country, the 100,000 men employed in time of war, on thoſe floating citadels, are always furniſhed by the Metropolis, and do not in any manner exempt her either from erecting thoſe permanent citadels which muſt be ſcattered along the coaſts of the mother-country, or from providing the number of men neceſſary to defend them in caſe of an invaſion. In this point of view, the colonies would therefore rather diminiſh than increaſe the national power.

On the other hand, experience has juſt taught us, that as ſoon as thoſe very colonies, for which it is pretended ſo much blood has been ſpilt, and ſo much money waſted, are in a ſituation

to

to ſtand up in their own defence, there is no depending upon them, but inaſmuch as they are on the footing of allies; and intereſt alone fixes the duration of every alliance.

The above three objects deſerve not, methinks, any further diſſertation: the queſtion that merits a more particular ſcrutiny, is that which concerns the utility of thoſe very colonies, when their weakneſs is a pledge of their fidelity.

That utility conſiſts in ſecuring to the mother-country, 1ſt, an excluſive mart for ſuch goods as ſhe thinks proper to export there; and 2dly, the excluſive ſale of the returns, in which, it is ſaid, ſhe finds a compenſation for the expence ſhe is at to carry her goods to that market.

I ſhall inveſtigate, under various points of view, all relative to thoſe two objects, the utility of thoſe colonies whoſe commerce is fully aſcertained, before I ſpeak of any other; and I ſhall only draw the neceſſary inferences from the moſt incontrovertible facts.

1ſt.

We find in the Statements of Sir *Charles Whitworth*, that the exports from *England* to the co-

lonies, whoſe independence can no longer be diſputed, amounted annually, upon a medium of 5 years, taken from 1769 to 1773, to the ſum of 2,491,230*l.*

Now the two wars of 1739 and 1755, undertaken, it is ſaid, for the protection of thoſe colonies, that is, *to preſerve* to the mother-country *the monopoly of them*, have coſt *Great Britain* 99,141,625*l.*; and theſe 99 millions, though the intereſt has been reduced as often as poſſible, ſtill coſt *England* annually 3,500,000*l.*

It is then a ſum of 3,500,000*l.* which, even ſo early as the year 1762, *England* had reſolved to pay annually, in order to preſerve, and the better to ſecure to herſelf the excluſive privilege of exporting annually to *North-America*, *European* goods to the amount of 2,491,230*l.*

2*dly*.

The imports from thoſe colonies into *Great Britain*, upon a medium of the ſaid 5 years, did not exceed the ſum of 1,208,665*l.*—*Great Britain*, therefore, has enjoyed during the ſpace of 5 years, a pretended balance of 1,282,565*l.* againſt thoſe colonies;—but is that glorious balance

lance any thing more than the advantage of having given to thoſe colonies, in the ſpace of 5 years, a credit in the ſum of 6,412,825 *l.* ſuppoſing that ſuch ſum was the amount of her claims in that part of *America*, or of the half, if in fact half only of that ſum remained due to her, notwithſtanding the enormous appearance in Sir *Charles Whitworth*'s Statements?

3dly.

If the colonies, now independent, will henceforth call in all the other nations of *Europe* to a ſhare in the advantage of crediting them in the ſame manner, can it be ſuppoſed that *England* will not find in *Europe*, ſome other nation willing to receive that part of the *Engliſh* credit, which the independent colonies ſhall no longer think proper to make uſe of? In this caſe, can any thing more be required, on the part of *England*, than to manufacture in leſs quantity ſuch goods as ſuit only the inhabitants of *America*, and ſomewhat more of thoſe that may ſuit the different nations of *Europe*; and to this firſt operation to add the complaiſance of receiving a greater quantity of their goods than ſhe has imported hitherto?—In this caſe likewiſe, what ruinous conſequences could *England* experience by

by exporting her goods to her neighbours, inſtead of ſending them to *America?*

4thly.

If the complaints ſet up by *England* againſt the United States, are grounded only on their incapacity of making returns proportionate to the value of the goods exported there ſince the peace; are the United States to blame if *European* cupidity has exported to *America*, in the ſpace of ſix months, as much as its inhabitants could conſume and pay for in two years? Does ſuch an event, almoſt infallibly the reſult of a long interruption of correſpondence, prove any thing more than the neceſſity of a balance between production and conſumption, the advantage of knowing as ſoon as poſſible the difference from the one to the other, the inconvenience of a trade, in which we loſe ſight of our capital for whole years together, and the advantage of a trade which would 5 or 6 months after return to the hands of the *capitaliſt* the ſtock he had laid out?

5thly.

Had even thoſe colonies remained in, or returned to a ſtate of ſubjection to *England*, would not the ſame interruption of correſpondence have been productive of the ſame inconvenience?—

During

During the war, which terminated by the treaty of *Aix-la-Chapelle*, all the *French* colonies had remained under the dominion of *France*, and yet during all the firſt, and great part of the ſecond year of peace moſt of the *French* goods were ſold at *Martinique* and *St. Domingo*, 15 and 20 *per cent.* below the prime coſt in *Europe*;—between dependent and independent colonies, then, in this reſpect, who can perceive a ſhadow of difference?

6thly.

If the *Engliſh* merchants, after having overſtocked the *American* markets with *European* goods, have attempted to ſtrip *America* of the little money ſhe had to boaſt of, and to leave her goods on her own hands, do the complaints ſet up in *England* on this ſubject, prove any thing eſſential either to *England*, or to the reſt of the world, more than the impoſſibility of carrying into execution beyond a certain degree, the plan, as deſtructive as it is abſurd, of any other trade but that which is founded on a reciprocity of advantages, on *an exchange of the gifts with which Nature and Art have favoured one country, againſt thoſe with which Nature and Art have favoured another country?* And even, upon a ſuppoſition, that *America* ſhould have returned under the domination of *England*, if the *Engliſh*

liſh merchants had, in this caſe, attempted to wreſt from her the little money ſhe was poſſeſſed of, would not the *American* coloniſts have been juſtified in taking every meaſure neceſſary to preſerve it?—Would they in enforcing that right have been free from the misfortune, common to mankind, of always doing, in order to guard againſt an injury, much more than is either juſt or neceſſary?—The impoſſibility of making returns adequate to the extravagant invoices ſent by the *French* traders to their colonies in *America*, after the war I have mentioned, determined alſo the agents of the *French* trade to ſtrip thoſe colonies of all the money they could lay their hands upon: no other way to put a ſtop to that ſpoliation was left, but to bore in the middle of their dollars a large hole, which reſtoring the equilibrium between the rapacity of the foreign trader, and the wants of the interior commerce, preſerved within thoſe colonies the trifling ſum in ſpecie that ſtill remained there. Soon after, the equilibrium was alſo reſtored between the imports and the conſumption; and from that inſtant an end was put to the thirſt after money, as well as to the neceſſity of boring the dollars.—What difference then can exiſt, in this reſpect alſo, between a colony and a free State?

7thly.

All the exports from *England* to the colonies, the monopoly of which ſhe has preſerved by the peace, (including her trade to *India*) amounted, in 1773, to 2,430,420*l.* (for the details ſee Sir *Charles Whitworth*). Now the annual expence of the *Britiſh* navy, and its acceſſaries, conſidering the increaſe in that of *France*, muſt be, at preſent, or will be ſoon, 2,000,000*l.* May it not be fairly concluded, that *England* is about to pay the annual ſum of 2 millions ſterling, in order to maintain herſelf in the excluſive privilege of carrying annually to the diſtance of 1500, of 2000, of 4 or 6000 leagues, the value of 2,432,420*l.* in *European* goods?—And would not that privilege be dearly bought, were not *France* to lay out annually likewiſe 45 millions of livres *tournois*, in protecting her privileged exportation?

8*thly*,

I have at preſent before my eyes no other ſtandard, whereby to eſtimate the exportation of *France* to her ſugar-colonies, than that of *England* to hers; that exportation amounted, in 1773, to 197,236*l.* But the population of the *French* colonies is far from being in a treble proportion to that of the *Engliſh* colonies, and luxury is equal in both; yet let us ſuppoſe that the amount of the exports from *France* to her colonies, including thoſe ſhe ſends

ſends to *India*, be annually 80 millions *tournois*.—The intereſt of the national debt in *France* is 202 millions *tournois*, (ſee *Adminiſtration des Finances de la France*) one half, or rather three fourths of which have been incurred for the protection of her eſtabliſhments in thoſe parts of the world.—May it not be ſaid, that *France* is at the yearly expence of 150 millions *tournois*, independently of the 45 millions for her navy, for the purpoſe of maintaining herſelf in the excluſive privilege of exporting every year the value of 80 millions *tournois*, in *European* goods, to her poſſeſſions in *India* and *America*?

9thly,

All the *European* exports, carried by *England* in the year 1773, either to *India*, *Africa*, or *America*, including the exports for which ſhe held an excluſive privilege in the part of *America* now independent, amounted to 4,975,192*l*. we ſhall ſay 5 millions:—if you value at 10 millions of the ſame currency, the exports of all the other nations of *Europe* to thoſe parts of the world, we ſhall find a capital of 15 millions ſterling in goods annually exported from *Europe*:—but the yearly expence of a navy, which cannot be diſpenſed with for the protection of thoſe exports,

is

is valued at 8 millions ſterling, 4 of which fall to the ſhare of *England* and *France*.

Excluſive of thoſe 8 millions ſterling, the intereſt paid by *England* to acquire, preſerve, and protect that part of *European* exports that concerns her, amounts to about 6,500,000*l.* including that of the laſt war; the intereſt paid by *France*, comes nearly to the ſame ſum; the intereſt paid by *Spain* could not be computed, were the depopulation of that country to be taken into the account; but eſtimate them at 4 millions, including thoſe which other *European* nations have ſacrificed to the ſame Idol: let us ſay nothing about *Holland*, who for many years (except the few laſt) has made ſome figure *Europe*, only by her good luck in alleviating the diſtreſſes of others, her ſole motive for which was her own advantage: and we ſhall ſum up, at laſt, an annual expenditure of 25 millions ſterling, in intereſt and naval expences, incurred by *Europe*, in order to preſerve the excluſive privilege, 1ſt, of exporting every year 15 millions ſterling in *European* goods to her colonies, both in *India* and *America*; and, 2dly, of eſtabliſhing in thoſe colonies *the ſyſtem of government beſt calculated to prevent that exportation from becoming more conſiderable.*

10*thly*,

10*thly*,

We have obſerved, that the exports from *England* to the colonies of *America*, and to *India*, amounted, in 1773, to 4,900 and ſome thouſand pounds ſterling, ſuppoſe 5 millions: now her importation of commodities from thoſe various countries is about 5,900,000*l.* (ſee Sir *Charles Whitworth*); but we have alſo noticed, that ſhe left yearly in *North America* 1,282,000*l.* more than ſhe received therefrom. This matter, conſidered in the moſt favourable light, that is, as a balance of trade, ought to be added to the former; and the whole together will give us a total of 7 millions, ſhewing an annual benefit of 2 millions ſome hundred thouſand pounds ſterling.

It appears then, that an annual benefit of 2 millions ſome hundred thouſand pounds ſterling coſts *England* annually 6,500,000*l.* intereſt for her debt, and 2 millions for the ſupport of her navy.

11*thly*,

We have ſeen, that the annual and general exportation of *European* goods to *America* and *India* amounted to about 15 millions ſterling. — If 5 millions of *Engliſh* exports return no more than 2 millions ſome hundred thouſand pounds annual benefit to *England*, that *England*, who ſets the

the higheſt price on her goods of all kinds, the general exportation of 15 millions, to which *England* contributes only one third, cannot, of courſe, afford to the whole of *Europe*, a profit of above 6 millions and ſome hundred thouſand pounds;—but it ſeems that a benefit of 6 millions and ſome hundred thouſand pounds is dearly bought at the rate of 25 millions laid out annually by *Europe*, both in paying the intereſt of their reſpective national debts, and for the ſupport of the *European* navies deſigned to preſerve, protect, and ſecure ſuch a benefit.

12*thly*,

If it were very true, as it is to this day aſſerted, that thoſe 25 millions of annual and indiſputable expenditure, are in reality ſo many yearly loſſes to the nations who ſuſtain it, might it not be reaſonably concluded, would it not be impoſſible not to conclude, that all the colonies of *Europe* were eſtabliſhed only for her ruin?—If we only attend to the laſt war, which in fact loads the different nations who took a ſhare in it, with an annual intereſt of 9 or 10 millions,—9 or 10 millions to be paid every year, partly to preſerve the right, partly to obtain the permiſſion of exporting *European* commodities into a country, of which the inhabitants, beſides their own importation, conſume annually to the amount of

only 2,491,230*l.* of thoſe ſame commodities which are exported to them by others—who (to aſſume the trader's phraſe) cannot clear by that exportation, a greater annual profit than 3, 4, or even 500,000*l.*! . . . .it ſeems indeed that one cannot ſee without ſurpriſe and concern, the ſhocking diſproportion between the end propoſed, and the ſole means of obtaining it.

13*thly*,

If, on the contrary, it be true, as I maintain it to be, that after the peace, when a perfect equilibrium is reſtored to every thing, the 9 or 10 millions intereſt of the national debt, has no other effect but that of ADDING TO EVERY THING A NOMINAL VALUE WHICH INJURES NO ONE, THOUGH IT MAY BE ADVANTAGEOUS TO MANY; A NOMINAL VALUE, WHICH, IN EVERY STATE, PROPORTIONS ITSELF, FIRST TO THE SUM OF ITS REVENUE COMPARED TO THAT OF ITS DEBT, AND SOON AFTER TO THE DIFFERENCE WHICH THE DEBT CONTRACTED BY THE NATION CALLED THE MOST LOADED, AND WHICH, IN FACT, IS ONLY THE GREATEST EXPORTER, HAS PRODUCED IN THAT ENORMOUS QUANTITY OF THE GOODS SHE EXPORTS;—if it appear more reaſonable to adopt that idea, than to give up a trade, which, without that very idea, would prove the moſt abſurd, as well as the moſt deſtructive that human genius could

could invent, *(the alternative ſeems to be forcibly eſtabliſhed)*;—in this caſe the regret will be heart-felt, when we conſider the loſs of men ſacrificed during the laſt war: but if from this general aggregate of truths little ſuſpected, and much leſs reflected upon, there ſhould reſult a ſyſtem of Politics in *Europe*, of Adminiſtration in her different States, of Government in her Colonies, which ſhould procure to *Europe*, at the leaſt expence, the greateſt exportation of that of which ſhe has a ſuperabundance, and the greateſt importation of that in which ſhe is deficient. . .then indeed, then, might we find conſolation for the evil, in adverting to its conſequences.—And, upon this principle, what can *England* have ſuffered by loſing her ſovereignty over *America?*

14*thly*,

The contagion of example has been apprehended. Let us ſuppoſe the fact. What then would be the loſs ſuſtained by *Europe?* None, I believe, unleſs the conſequence of the general independency of the colonies, ſhould be that they would give up *European* commodities they have been uſed to, and which they can ſo readily procure by means of a multitude of other articles, which would be of no value to them were they not calculated to procure them thoſe *European* commodities which they are in the habit of conſuming.—But I

beg leave to aſk, what purpoſe could their independence anſwer?—It appears to me, they could not think of it without a palpable folly; and that it is impoſſible they ſhould think of it, *without that kind of vexation which brings a man to the neceſſity of chooſing between two extremes.*—Another conſideration, which tends to make *Europe* eaſy, at leaſt in regard to the colonies ſituated beyond the tropic, is, that no rivalſhip can ſubſiſt between them and their mother-countries in any thing that concerns the ſoil and induſtry.

In regard to the productions of the ſoil, all that part of *America* incloſed within even the 30th degree of north, and the 30th degree of ſouth latitude, could not yield, without double and treble expence, any thing that can be produced in *Europe*, and in the other part of *America*, from the 30th degree to the pole. And, on the other hand, at what an amazing expence muſt all *Europe*, jointly with that part of *America* now independent, produce, even in a kind of degradation, what the other part of *America* yields naturally in the moſt perfect ſtate!

In regard to induſtry, can it be feared that the *South Americans*, *even ſuppoſing them independent*, ſhould be tempted to import rough materials

rials from *Europe*, in order to have them wrought by *American hands, which are ſo naturally and ſo profitably employed in the production of American articles?* Is it even to be feared that they ſhould aim at a competition with the *Europeans* in the exportation of *American* articles, when they are in need of ſhip-timber, or rather when in this, much more than in any other reſpects, there is no *European* work, which, if done in *America*, would not coſt three times as much as when imported from *Europe?*—All *European* prejudices, relative to commerce, are founded on the following principle, which may be looked upon as the *quinteſſence* of the Navigation-Act:—*To do every thing ourſelves, in order that no one's aſſiſtance may be wanted,—that no one may do without our aſſiſtance,—and that no aſſiſtance be given, but at the prices preſcribed by the Lords of the Seas.*—The Navigation-Act was, without doubt, the laſt effort of the human mind about the middle of the 17th century*.

* It is a very good idea, according to the Navigation-Act, to reſtrain, as much as poſſible, the *Engliſh* ſugar-colonies, *which their ſtrongeſt intereſts attach for ever to England*,—to reſtrain, I ſay, thoſe ſugar-colonies, in order to enlarge the faculties of ſome relics of timber, tar, and wheat-colonies, *which their ſtrongeſt intereſts will detach from*

It ſeems to me, that the only point which eſſentially concerns all *Europe*, in regard to other parts of the world, where ſhe can give law, would be to find out *what kind of Adminiſtration would be the beſt calculated to increaſe in all thoſe parts the conſumption of* European *goods, and to procure to herſelf a more conſiderable ſtock of foreign goods and products,—which would, as they have ever done, give,* either directly or indirectly, *a freſh encouragement to her agriculture and*

from England *as ſoon as* they ſhall be ſtrong enough to make the beſt of their timber, tar, and wheat. It is ſaid in *England*, that the ſugar-cane planters are ſo immenſely rich, that they can well afford to pay 20 *per cent.* dearer to their *dutiful* brethren, for what they could purchaſe 20 *per cent.* cheaper from their *revolted* ones.—A ſugar-cane planter, with a clear revenue of one or ten thouſand pounds ſterling in ſugar, is neither more nor leſs rich than a freeholder in *Great-Britain*, with a clear revenue of one or ten thouſand pounds ſterling in wheat or graſs; the one, as well as the other, is every day rich by the 2 or 4 pounds weight of food he can digeſt, and by the 6 or 10 or 15 *lb.* of cloaths he can wear; the one, as well as the other, picks out thoſe 10 or 20 pounds from the materials that beſt ſuit his taſte or fancy.—To the ſhame of thy power, ô Opulence, here thou muſt ſtop! *huc uſque venies.*—Such is the truth, no greater is the truth, no leſs trivial is the truth, before which that *great globe itſelf*, that immenſe and *baſeleſs fabric* of premiums, prohibitions, reſtrictions, and ſo many other financiering *viſions—ſhall diſſolve, and leave not a wreck behind!*

and manufactures. Let any one examine, whether the utility of the colonies be not ſtrictly confined to this ſingle point.

I ſpeak of all *Europe*, it is true, as if ſhe formed but one State, whilſt ſhe is ſuppoſed to exhibit ſo many intereſts, and theſe ſo very oppoſite to each other. This queſtion deſerves a deeper diſcuſſion than I am able to give it; yet I preſume to think that the anſwer I could give, might be ſuſceptible of demonſtration, had we, on all the countries in *Europe*, ſtatements only ſimilar to thoſe which Sir *Charles Whitworth* has given of the *Britiſh* trade, and were we to add thereto the means and faculties which are to be met with in *England* of procuring the details and proofs of every particular that concerns the public. Deſtitute however of an advantage ſo precious, ſo worthy of a nation ſufficiently enlightened to dread nothing but being left in the dark on any part of her own intereſts, of a nation judicious enough not to to diſdain a ray of light, from whatever quarter it may come, and generous enough to perceive, with pleaſure, that by enriching herſelf, ſhe has, to this day, enriched all *Europe*;—

If it were admitted, that money is only the repreſentation of value; that multiplying the

ſign, without multiplying the articles which it is calculated to repreſent, is debaſing fruitleſsly the repreſentation; and that, on the contrary, multiplying the article is the moſt infallible means of attracting the ſign and keeping it up to its value:

If it were acknowledged, that nothing contributes ſo much to the multiplying of the articles, as the multiplicity of the channels through which they can be introduced:

If it were acknowledged, that the multiplicity of channels in another nation, for the introduction of our own goods, is neceſſarily inſeparable from the multiplicity of channels opened in our own country for the introduction of foreign goods:

If it were acknowledged, that with the fulleſt perſuaſion that money ought to be the ſole aim of trade, it has only proved, hitherto, the means of ſupporting it:

If it were acknowledged, that notwithſtanding the prejudices to the contrary, as deeply rooted in the heads of Miniſters, as they are in the hearts of Merchants, and notwithſtanding all the national cupidities, private intereſt in all countries

tries has always proved ſufficient to reject effectually all the *uſeleſs*, and procure all the *neceſſary* money:

If it ſhould reſult, not from arguments, which very ſeldom contain what they ought to contain, in order to become uncontrovertible, but from the experience of a whole century, ſufficient to eſtimate the effect of the paſſion the moſt ardent, and the moſt attached to its object, that contrary to the common ideas, and in ſpite of the general rage for money, the whole of commerce has, to this day, been ultimately confined to *its true balance*, i. e. *to bartering goods for goods*, except the little money which is wanted every where, and which has conſtantly penetrated every where, to anſwer either to the new productions when they had actually increaſed in their quantity, or to the advance of prices when the taxes had at laſt produced every where, and on the generality of prices, their effect, as equitable as it is neceſſary and harmleſs:

If the ſame experience ſhould evince, that the richeſt individual, or he who becomes ſuch the ſooneſt, has no other advantage in point of commerce, than the choice of the men whom he is pleaſed to admit to a ſhare of his wealth without impairing it; and that the inference

inference to be drawn therefrom is, *that ſuch a man muſt be a dupe who confines his choice to ten, when he can make it from among thirty:*

If it were acknowledged, that riches and eaſe, like the light, ſtand in want of no aſſiſtance whatever, to propagate themſelves equally in every direction, *as general intereſt requires*; that the private intereſt of one man, or of a body of men, is always ſufficiently oppoſed, protected, balanced, by the intereſt of another man, or of another body of men, *wherever adminiſtration confines its attention to the maintenance of ſtrict juſtice and good order*; and that from this equilibrium in which they mutually keep, or ſoon replace one another, there reſults, for both, the greateſt advantage they can hope for, and for the State the higheſt proſperity it can attain:

If it were acknowledged, that on all theſe various objects, no difference whatever can ſubſiſt between one nation and another:

If it were acknowledged alſo, that all *Europe*, as well as each State in particular, is eſſentially, finally, ſtrictly, compoſed only of three kinds of *capitaliſts*, or proprietors, the *landed capitaliſt*, *the capitaliſt of induſtry*, *and the proprietor of money*, conſidered either as a dependant or as a *capitaliſt:*

If

If it were acknowledged, that thoſe three intereſts center in the greateſt quantity, as well as the greateſt variety and beſt quality, of the products both of agriculture and induſtry, and in the greateſt conſumption of both at the moſt reaſonable rate:

If it were acknowledged, that the *Fiſc*, or Exchequer, owes the whole of its revenue to the produce of the taxes only; and that this produce riſing of courſe as the productions and conſumption increaſe, the intereſt of the Exchequer can no where be different from that of the three capitaliſts or proprietors:

If it were acknowledged, that *at preſent* nothing can reſult from ſeveral inſtitutions, pretended very wiſe, but a great diminution in the products and conſumption, as well as in the revenue of the Exchequer; becauſe there is nothing ſo eaſy as to balance, every where, inſtitutions pretended very wiſe, by others not leſs ſo:

If it were acknowledged, that the *neceſſary* expenditure of the Exchequer once aſcertained, all diminution of its revenue, occaſioned by the pretended very wiſe inſtitutions, carries with it the neceſſity of impoſing new taxes, in order to make up the *deficit* of former ones:

If

If it were acknowledged, that each new tax, increaſing neceſſarily the price of every thing in the nation, *for the purpoſe of ſupporting, at leaſt, the interior conſumption, on which depends the diſcharge of the taxes*, would add to the inconvenience brought about by thoſe pretended very wiſe regulations, *and would ſoon lead to a decreaſe in the external conſumption, which the nation might have preſerved*, if other countries did not raiſe their own prices accordingly, in order to pay with the ſame products the ſame quantity of articles which they uſed to take before the advance occaſioned by the taxes; that therefore ſuch a general propagation of increaſe in prices, being of a general intereſt to the production and conſumption every where, would not fail to take place every where as it has always done, and to dwindle again into a childiſh play, much beneath the adoleſcence of the age we live in:

If it were acknowledged, that the general repeal of thoſe pretended very wiſe inſtitutions could, at the worſt, be productive of no other effect *within the State*, but that of a general riſe in the prices, wherever they are not in due proportion to the real values, and a general fall in all the prices, wherever they are fixed by monopoly, and not by the natural equilibrium; but that,

that, whereas nothing but profit can accrue to thoſe who raiſe their prices, it is very probable that the prices would increaſe much more almoſt *every where*, than they would decreaſe *any where:*

If it were, beſides, acknowledged that ſuch an increaſe, or decreaſe, (it matters not which) ſoon becoming general and proportionate, (without any other agent to work that miracle, but that reciprocal preſſure which eſtabliſhes a perfect ſymmetry in a bee-hive,) then no alteration could ariſe therefrom in the circumſtances of the two eſſential capitaliſts, ſince it is perfectly indifferent whether we purchaſe the labour of others at 5 or 6 *per cent.* dearer, if we ſell our own labour in proportion :

If it were acknowledged, that in regard to the money proprietor, *whether dependant or capitaliſt*, nothing can reſult from it but the certainty of procuring henceforth and for ever, at the moſt equitable price, that which he had paid for hitherto according to the rate ſet on it by monopoly, and often by a ſcarcity cunningly prepared and managed :

If it were acknowledged, that *as to the external intereſts of the State*, no other effect can reſult from

from the general repeal of thoſe pretended very wiſe inſtitutions, but the facilitating of all the branches of foreign correſpondence, the opening of new channels of conſumption, the encouragement of all kinds of production, of which conſumption is the very ſoul, and the power of obtaining every where, at the moſt equitable prices, *by means of competition,* the moſt equitable ſhare we have a right to expect in thoſe gifts which nature, in all probability, has not beſtowed on any part of the world, to confine them to that particular ſpot:

If all the foregoing points, I ſay, were acknowledged, it would be a hard matter to conceive that there is, not only in *Europe,* but all over the globe, any other enemy to deſtroy but Monopoly, or any other intereſt to favour but Labour.

FINIS.

The judgement of the Public, on the ideas thrown out in this Eſſay, will determine the fate of ſome others, which are nothing elſe but the conſequences or developement of theſe.

PREFACE

PRÉFACE

DE L'ÉDITEUR.

CE n'eſt point un *Traité* que l'Auteur annonce : ce n'eſt rien de plus que des *Conſidérations ſur le Méchaniſme des Sociétés*. Un pareil titre n'aſtreint point à un plan régulier, & ſauve même le riſque de préparer les Lecteurs à un enchaînement d'idées qui n'échappera point à leur ſagacité, s'il exiſte ; & ſur lequel on ne les abuſeroit point, s'il n'exiſte pas. Mais dans un tableau conſacré au monde comme à la patrie, aux peuples comme à leurs maîtres, il falloit que l'objet ſaillant, l'objet ſur lequel on dirigeoit leur première attention, fût d'un intérêt aſſez général pour les engager progreſſivement à l'examen de tous ceux de ſes détails qui méritent d'être approfondis, & dont les rapports ſont méconnus ou mal jugés.

L'objet qui fixe aujourd'hui l'attention de tous les États de l'*Europe*, tous débiteurs & créanciers, c'eſt la dette publique de l'*Angleterre*,

terre, & les meſures que va prendre à ce ſujet, l'Aſſemblée du monde la plus éclairée ſur les intérêts du peuple, la plus jalouſe de ſes droits, & la plus libre du moins dans ſes débats. C'eſt par l'examen de cette formidable dette, & de ſon influence ſur la richeſſe de l'État & l'aiſance du peuple, que l'Auteur oſe commencer. Mais avant d'en expliquer le méchaniſme, dont le réſultat préſente des idées trop contraires à l'opinion générale, l'Auteur tâche de familiariſer peu à peu ſes Lecteurs avec la ſienne, par des *Réflexions générales ſur la ſituation actuelle de l'*Angleterre; ces réflexions ne lui permettant pas de douter, que la nation ne fût en 1779, malgré la dette nationale, plus riche qu'au commencement du ſiècle, du quadruple, ou du double ſeulement, ſuivant le calcul de population auquel on ſera le plus attaché.—On voit que l'Auteur, relativement à ſon plan, n'attache aucune importance à la différence des opinions ſur cet article.

Une vue plus particulière du ſujet, préſente à l'Auteur de nouvelles raiſons qui lui paroiſſent capables de tranquilliſer le créancier le plus inquiet.—Ce n'eſt à la vérité que par le moyen *des épargnes* faites & à faire journellement ſur 8 ſols, portion exacte qui revient à chaque individu

individu dans le revenu général, qu'on a pu parvenir à l'opulence, & qu'il eſt poſſible de s'y maintenir ; mais l'Auteur cherche *les épargnes* qu'on ne peut méconnoître dans l'agriculture & dans l'induſtrie : il trouve que celles de l'agriculture ont ſuffi depuis un ſiècle, non-ſeulement pour ſatisfaire aux charges publiques, mais encore pour doubler le revenu territorial ; & il détaille enſuite une quantité d'objets, faciles à vérifier, qui ſemblent démontrer le même progrès dans l'induſtrie.

Ici l'Auteur commence à ſe croire aſſez ferme ſur ſon terrein, pour convenir qu'il ne voit rien dans la ſituation actuelle de l'*Angleterre* qui puiſſe juſtifier l'idée d'une banqueroute, quoique les papiers publics de cette nation en inſinuent très-ſouvent la commodité. L'Auteur s'oublie même juſqu'à examiner ſérieuſement, *s'il ſeroit avantageux de rembourſer ou de ne pas rembourſer, même dans la ſuppoſition que les* 238 *millions empruntés & diſparus, reparoîtroient dans les coffres de l'Échiquier.*

Après avoir préſenté la queſtion ſous pluſieurs points de vue, l'Auteur n'héſite point à ſe décider pour la négative, & tâche enſuite de prouver qu'une *Théſauriſation* antérieure qui eût mis

la Nation en état de ſoutenir la dernière guerre ſans impoſer aucune taxe additionelle, auroit fait beaucoup plus de mal que les nouvelles taxes n'ont été capables d'en faire.

L'Auteur devenu plus hardi, parce que perſonne ne le contredit lorſqu'il eſt ſeul (& en vérité il eſt ſeul bien ſouvent), entreprend de réconcilier le genre humain avec les taxes, au moyen d'une première décompoſition de l'impôt ; il abandonne à la vérité une de ſes parties comme onéreuſe, (il eſt fâcheux réellement qu'elle ſoit indiſpenſable, heureuſement c'eſt la moindre ;) mais il défend hautement l'autre partie, comme une reſſource très-précieuſe pour cette portion du peuple qui mérite le plus de captiver l'intérêt du Gouvernement.

Malgré toutes les précautions que l'Auteur a priſes juſqu'ici pour ne pas effaroucher ſes Lecteurs, il lui reſte un tel pas à franchir, qu'on le voit preſque à genoux pour ſupplier qu'on lui permette de le franchir en vingt fois s'il n'y réuſſit pas en dix ; c'eſt-à-dire, qu'il deſire beaucoup que ſon Ouvrage ne ſoit pas condamné *définitivement*, avant d'avoir été lu juſqu'à la fin ; en effet il n'eſt pas impoſſible qu'une propoſition détachée, dont le ridicule eſt frappant

à l'expoſition, devienne cependant très-raiſonnable lorſqu'elle aura été ſucceſſivement rapprochée de toutes celles qui doivent la ſuivre.—

Un Editeur doit encore plus au Public qu'à un Ouvrage auquel il ſeroit même aſſez flatté de procurer une petite fortune ; je crois donc être obligé (*in foro conſcientiæ*) de prévenir que ce n'eſt qu'après avoir parcouru cinquante & quelques pages qu'on ſoupçonne pourquoi l'Auteur n a pas annoncé dès la première, les ſingularités qu'il ſe propoſoit inſidieuſement d'établir pied à pied dans ſa brochure : mais enfin on peut alors preſſentir ce qu'on doit attendre d'un homme qui vient de conter *que les taxes ne ſont qu'un petit mal*, *que la Théſauriſation en ſeroit un très-grand*, *qu'un rembourſement eſt au moins inutile*, — & qui auſſi-tôt annonce modeſtement qu'il pourra bien, *par la ſuite*, lui échapper quelques bizarreries,—comme s'il pouvoit y en avoir de plus complettes que les trois propoſitions dont je viens de rendre compte.

Cependant il ne faut pas être trop ſévère ;—le Lecteur a-t-il été ſeulement amuſé par le coin du Tableau juſques-là découvert ? — qu'il ſe prête à la petite manie de l'Auteur ; on renonceroit à montrer des curioſités, ſi l'on n'avoit

pas la liberté de lever le rideau à ſa fantaiſie, ſi l'on n'avoit pas le droit de ne montrer, à chaque annonce, que la petite partie de la curioſité, ſur laquelle on veut fixer pour le moment les yeux du Spectateur :—

Mais ſi le Lecteur n'a pas encore obſervé la moindre variation dans le compas malgré la différence des poſitions ; s'il n'a pas été un peu ébranlé par les raiſonnemens dont on l'aura bercé juſqu'alors,—qu'il jette la brochure au feu ; car l'Auteur, dont je ne prétends point imiter la circonſpection, ou adopter les craintes, ou juſtifier l'audace, ou partager le délit, n'entreprend rien moins que d'engager *toute l'Europe*, (toute Europe !) à examiner :

1°.

S'il ſeroit poſſible qu'il en coutât à l'*Angleterre* au-delà de 5 millions ſterling, *une fois trouvés*, pour aſſurer, *à perpétuité*, de la façon la plus ſolide, le paiement de l'intérêt d'une dette de 238 millions, cet intérêt fixé à 9 millions même monnoie.

2°.

S'il n'y a pas ſans qu'on l'imagine, dans le Syſtême de Finance de l'*Angleterre*, quelques-

unes des imperfections ſi bien obſervées, ſi juſtement, ſi amèrement critiquées dans celui de la *France* ; & ſi un rembourſement national n'eſt pas le plus facile de tous les jeux avec leſquels un Miniſtre de Finance peut amuſer la Société, ſans la ſervir.

3°.

Si la poſſibilité d'une balance de commerce toujours favorable, n'eſt pas auſſi douteuſe que la néceſſité d'une banqueroute, & l'avantage d'un rembourſement.

4°.

Si l'équilibre en tout & par tout, n'eſt pas indiſpenſable ; & ſi, pour maintenir ou rétablir cet équilibre, il faut de grands efforts d'imagination de la part de ceux qui croient tenir la balance.

5°.

Si la différence des prix eſt quelque choſe ou rien ; & s'il a fallu en *France* au-delà de 66 millions tournois, *une fois trouvés*, pour aſſurer, *à jamais*, l'intérêt à 5 p. cent d'un emprunt national de 1500 millions.

6°.

Si le monſtre d'une concurrence en fait de commerce, prétendue invincible graces à la

légèreté des prix dont elle ſeroit armée, n'eſt pas auſſi fantaſtique que celui d'une balance toujours favorable.

7°.

Si le *prœmium* d'exportation le plus pardonnable, eſt autre choſe qu'une injuſtice devenue néceſſaire pour en balancer une infinité d'autres.

8°.

S'il ne réſulte pas du rétabliſſement toujours infaillible & purement méchanique de l'équilibre dans tous les prix, que les taxes ſont d'une innocence abſolue en elles-mêmes ;—s'il eſt au-delà d'une eſpèce de taxation, qui n'augmente la maſſe générale des prix que du montant précis de la taxe ;—ſi toutes les autres n'en triplent pas l'effet ;—ſi la plus pernicieuſe, *après la capitation*, n'eſt pas celle *du luxe* ;—& ſi du moment où toutes les taxes *bonnes ou mauvaiſes*, ont réagi ſur tout, le fardeau de la dette nationale n'eſt pas évidemment NUL dans tous les pays.

9°.

Si le crédit n'eſt pas, *après le Monopole*, l'effet de la richeſſe qui enchériſſe le plus tous les produits de la terre & de l'induſtrie.

10°.

Si tel pays où la contrebande fut défendue ſous peine des galères, ne doit pas *à la contrebande* un cinquième des produits de ſon agriculture, dont le commerce profite avec auſſi peu de ſcrupule que s'il n'eût pas ſollicité la loi abominable contre les contrebandiers.

11°.

Si l'abſurdité de l'idée générale ſur le moyen le plus propre pour établir une concurrence avantageuſe en fait de commerce, n'eſt pas démontrée par l'Hiſtoire d'une révolution ſingulière en *France*; révolution auſſi peu douteuſe que les deux guerres de 1755 & de 1779.

12°.

Si l'impoſſibilité des deux balances prétendues par la *France* & par l'*Angleterre*, n'eſt pas prouvée par les faits allégués dans les deux pays pour établir l'exiſtence de ces deux monſtres;—ſi cette impoſſibilité n'eſt pas démontrée par d'autres faits auſſi peu équivoques;—& s'il n'eſt pas de l'intérêt de l'*Angleterre* & de la *France*, d'abjurer au plus tôt l'idole, & de renoncer authentiquement à ſes œuvres comme à ſes pompes.

Si les exportations & importations ne ſont pas un jeu auſſi innocent que celui de la paume ; un jeu néanmoins dont tous les Gouvernemens pourroient tirer un grand parti, tous les ſujets un grand avantage, & tous les Etats un accroiſſement de force & de richeſſe.

14°.

Si la généralité des exportations de l'*Angleterre* en différens périodes, conſidérée relativement à la correſpondance étrangère, ne démontre pas une eſpèce d'électricité dont on n'avoit pas encore l'idée, & qui n'eſt pas indigne d'amuſer le loiſir des plus grands Politiques.

15°.

Si le badinage du luxe n'eſt pas auſſi innocent que le jeu des exportations & importations ; & combien le plus faſtueux, le plus prodigue, le plus ſenſuel de tous les Princes, conſomme au-delà du plus avare de ſes ſujets.

16°.

Combien, en négligeant les ſols & les deniers, l'*Angleterre* a perdu en perdant ce qu'on appelloit ſon bras droit ; & combien, en négligeant les ſols & les deniers, toute l'*Europe* perdroit ſi elle perdoit la ſouveraineté des deux *Amériques*.

17°.

Si tout ce qui avoit paru à l'Auteur fondé en raiſon & en juſtice, ne ſe trouve pas finalement, en dépit de la conjuration générale de tous les Peuples & de tous les Miniſtres, conforme aux faits les plus douteux;—& s'il ne réſulte pas de la réunion des faits & des raiſons, que l'aſſertion de l'Auteur la plus intéreſſante pour l'humanité, c'eſt-à-dire pour tous les Princes comme pour tous les Peuples, eſt de la vérité la plus inconteſtable, & la plus facile à mettre à la portée de tous les intéreſſés.

J'irai plus loin quoique Editeur. Je ſuppoſerai qu'il réſultât auſſi de cette réunion de raiſons & de faits, que les moyens qu'on a crus juſqu'ici les plus propres à ſoulager le Peuple, étoient les plus infaillibles pour le vexer; qu'eſt ce que cela fait au Peuple pourvu qu'on ne le vexe plus? Le paſſé eſt-il autre choſe qu'un ſonge?

Je ſuppoſerai encore qu'il en réſultât qu'on n'a jamais travaillé plus ſolidement à diminuer les revenus du Prince, que lorſqu'on s'eſt flatté de les augmenter; qu'eſt-ce que cela fait au Prince, pourvu qu'il ne ſoit plus poſſible de ſe

méprendre ſur les vrais moyens de l'enrichir? N'eſt-ce pas de l'avenir ſur-tout, qu'un grand Prince doit s'occuper?

Je ſuppoſerai encore qu'il en réſultât qu'on a eu grand tort de s'imaginer qu'il falloit diminuer le revenu du Peuple pour augmenter celui du Prince; qu'eſt-ce que cela fait au Prince & au Peuple, pourvu qu'ils ſoient l'un & l'autre bien convaincus qu'il n'eſt pas poſſible d'enrichir l'un, ſans enrichir l'autre de la même manière, & dans la même proportion?

Je ſuppoſerai encore qu'il en réſultât évidemment qu'il n'y a pas eu juſqu'ici dans les finances d'aucun pays, un ſeul principe, une ſeule idée qui en méritât le nom; qu'eſt-ce que cela fait aux Miniſtres qui dirigent aujourd'hui les finances? Le paſſé eſt-il à leurs ordres? Et n'eſt-ce pas dans la rectification des abus découverts, que conſiſte la vraie gloire d'un Miniſtère?

Je ſuppoſerai même, pour combler la meſure, qu'il en réſultât pour un très-ſimple individu *Américain*, une petite branche de cet arbuſte

Européen qu'on appelle laurier femelle ; qu'eſt-ce que cela fait à tous les Miniſtres, à tous les Peuples, à tous les Princes de l'*Europe ?* L'*Amérique* conſommera-t-elle moins de marchandiſes *Européennes*, & produira-t-elle moins d'or & d'argent, pour avoir produit une idée ?

$ 45.00